

DISTRIBUTION AND WAREHOUSING



The Business Paper of the Warehouse Industry

Volume 26

NEW YORK, JULY, 1927

No. 7

Public Warehousing and Economic Distribution Number 28

Increased Warehouse Construction. Is It Economically
Sound. Here Is an Affirmative Answer

By H. A. HARING

FOR three years scarcely an issue of *Distribution and Warehousing* has appeared without the announcement of a new terminal warehouse. Often a single issue has reported two such projects, as city has followed city in heralding "a new big terminal." "Big," indeed, have been many of these new ventures with three to five million cubic feet of cold storage, up to two million square feet for dry storage, from four to twelve stories in height, with siding capacity up to seventy-five or eighty railroad cars, and ground areas to as much as sixteen acres.

The capital stock issued against these properties mounts, also, into the millions, with rather large totals of preferred shares ahead of the common stock. The preferred may be taken as meaning some cash investment over and above the bonds, while of the bonds themselves the totals would be staggering. During March and April of the current year a single New York newspaper, on its

financial pages, carried the advertising announcements of seven such terminal warehouses, none of them with bond issues for less than one million dollars.

It is not surprising, therefore, that old-timers in the warehouse industry manifest apprehension over the onslaught of newcomers. Warehousemen, too, give vent to sarcasm in generous measure when they read the bond house announcements which offer the new securities to the investing public.

"Net earnings of ten cents a square foot!"—and the warehouseman who was talking was fairly shrieking when he said it—"Not gross, but net! The banker that's selling those bonds ought to go to jail for defrauding the public. Five cents a foot, gross, would be bad enough; God only knows what the net would be! Some of these promoters and some of these so-called warehouse engineers are plumb bug-house."

Warehouse Capacity Over-Built

SUCH extravagant "estimates" as to earnings do not complete the "indictment" against these new undertak-

ings. Possibly as common a complaint as any is the sentiment that:

"Albany's over-built with warehouses: some one's going to get burned!"

Instead of "Albany" in that sentence,

the reader may substitute "Youngstown" or any other of the 93 cities of 100,000 population that lies between "A" and "Y" of the alphabetical list in "The 100,000 Group of American Cities."

JUL 23 1929

THE public warehouse, "the key to the American market," will in the future "do for the manufacturer everything except book his orders"—and that is why, in Mr. Haring's opinion, bankers and railroads and cities are today pouring millions into the erection of great terminal projects, "as evidence of their faith that warehousing has but scratched the surface of the big thing it is soon to become."

Construction of these storage terminals, the author believes, "will continue because the reasons behind it are economically sound," and is "the most encouraging sign of the times for warehousing,

from the standpoint equally of the warehouseman and of all warehouse patrons."

On the theory that "it is not wise to permit one fact"—in this instance, warehouse over-expansion—"to becloud an important business cycle, even in the minds of those who suffer business losses" while a change is coming to its full head, Mr. Haring declares that while "over-built" may apply today for the warehouse industry in any one city, capacities are to be even greater in 1928 and 1929, and yet, as bankers and manufacturers plan for those years—

"They see ahead one thing so prominently in the middle of the road that they simply cannot detour it—they see warehouses as the future of distribution. The warehouse solves spot stocks; the warehouse supplements jobbers; the warehouse matches distribution to advertising. The new terminal projects indicate faith in the future of warehousing, that faith being the knowledge that warehouse distribution is the biggest thing in American marketing."

The twenty-ninth of Mr. Haring's "Public Warehousing and Economic Distribution" series of articles will appear in an early issue.

The same remark applies to Canadian cities as well. For, as a matter of fact, every major city in this country faces the same situation: either it is over-built with warehouse space or shortly will be. The movement that has got under such wonderful momentum these three years will not stop.

And terminal warehouse building will not stop. It will continue because the reasons behind it are economically sound. It is the most encouraging sign of the times for warehousing, from the standpoint equally of the warehouseman and of all warehouse patrons.

The prophecy of those last forty-one words may sound odd to men who are disheartened by the over-building in their localities; it certainly will rouse the ire of men whose houses have been snuffed out of business by a new big terminal. It is not wise, however, to permit one fact to becloud an important business cycle, even in the minds of those who suffer business losses while the change is coming to its full head.

Let us, then, look fairly at the situation. Let us analyze the development.

First of all, it is well to remember that over-production rules on every hand. We will begin by admitting that at the present time, July of this year of 1927, many cities are over-built with warehouses. Is it also not true that your city—whoever you are and wherever you live—is over-built with apartment houses? And down-town offices? Even private houses?

Is it not true, also, that the country has an over-production of wheat? Of hogs? Of cotton? Of apples? Of candy? Of steel? Of second-hand automobiles? Of canned goods? Of olives? Of walnuts? Of steel? Of a thousand other things?

Using Over-Production

THE answer to every question of this sort must be a "Yes." America has such a wealth of fine soil, of industrious people and of money that we have, for seven years, been producing more of everything than we can use and more than we can export under normal conditions; but the American people, north

and south of the Canadian boundary, have not stopped at "normal conditions." They have, by superior salesmanship and creative advertising, learned how to create a demand for their surpluses; they have managed, somehow, to use the over-production and not throw it away.

And so, despite too many apartment houses and too much office space, this same month of July finds us in the midst of the biggest program of construction the world has ever known. June was the biggest month up to that time; May the biggest; April the biggest; March "the biggest ever," and so on. America goes on doing more and more, making new "top records" every time some statistician stops to add up his columns of figures.

When, therefore, we admit that every major city is over-built with warehouse accommodations (or is threatened with that condition), perhaps the situation is not as dreadful as we think. Every indication points to more and yet more construction of terminal warehouses. If the Southern Pacific ties up with a terminal warehouse company, the Santa Fe is forced to follow, and, shortly thereafter, the Union Pacific issues announcement of a third. That is the Los Angeles situation. For Detroit the only difference is that the railroads have different names; in Cleveland another set of names but the same situation. So it goes up and down the United States and so it goes back and forth in Canada.

If all this warehouse building means only disaster, why do banking houses stamp their recommendation on the bonds? Why do railroads lend their aid to warehouse projects?

The fact that banks and railroads appear eager for warehouse development points a long finger the other direction. They say, in no uncertain words, "This country needs more warehouses."

"Over-built" may, therefore, apply to the situation as it stands today for the warehouse industry in any one city; but, looking to the future of 1928 and 1929, warehouse capacities are to be even greater. Such is the judgment of our bankers and railroad presidents, of the

Federal Government and the Canadian Government, of our marketing specialists and our economists. Such is, apparently, also the judgment of leaders among warehousemen, for the aggressive and forward-looking men in the industry are lending their names and staking their reputations on the platform that "This country needs more warehouses."

A strange condition, this—when a lot of warehousemen are down-hearted about "over-built" and another lot are venturing all they own to "build more."

Out-Growth of Promoters' Efforts

THERE is not a doubt in the world that all this new warehouse building has originated outside the industry. The new corporations originate, often, in the office of some construction engineer, who has specialized in the field of "warehouse engineering" as a number of these concerns are now doing. These construction engineers stand at the fore-front of the new terminal warehouse projects. Of this sort of work they have now done so much that investment bankers are allied with them, they also having come to make a sort of specialty of "warehouse bond issues."

It is a mistake to decry the efforts of all these men. Of course the construction engineers make a profit for their work of optioning the real estate, designing the structure and erecting the house; of course the investment bankers make a profit from the flotation of the bonds; and, equally of course, both groups come out with a large holding of common stock of the new terminal, which will never be worth a penny unless the warehouse proves a profitable venture.

To these profits they are entitled. The promoter cannot be prevented from getting "his." The promoter is, however, poorly rewarded unless the project turns out well—usually he is ruined for all time if he fathers two or three unsuccessful enterprises. With the new terminal warehouses, as a rule, the financial set-up contemplates that the second or third year of operation will see earn-

Public Warehousing and Economic Distribution

ings ample to carry the interest and begin to lay aside a sinking fund for retirement of the bonds.

Anyone who scans the board of directors of these new terminal warehouses will discover one thing, namely, that the directorate includes a banker or two. If, furthermore, he asks questions of the warehouse management he will learn another thing, namely, that an annual audit is provided by a firm of certified public accountants.

These two features may look innocent. The warehouseman who has always owned his own business may not appreciate the significance. Experienced warehousemen who have taken the jobs of president of the new companies can tell surprising stories of the effects on a warehouse of a banker-director and of the professional audit.

Vague Statements Barred

WHEN the monthly meetings of directors occur, these men are not satisfied with a vague statement of earnings or of condition. No matter how complete the reports brought into the meeting, the president will go back to his accounting department for one more statement, or one more analysis of the month's earnings, or one more "something." The banker-directors will scrutinize the sub-divisions of earnings and of expenses; they will have pet ideas that one item should bear a certain ratio to another; they are adamant in demanding a minimum of over-due accounts. They will be pitiless in insisting that a patron's account that is carried at a loss shall be thrown out of the warehouse; they will demand that handling charges shall show a profit. They will want to know the cost of trucks per mile, and per delivery, and per ton, and per hour, and per day; and if the warehouseman is prepared to answer all these to a decimal, some director will want to know something else about trucking costs.

It is a sad experience for the ordinary experienced warehouseman, that first year of operating with a few banker-directors.

It is the salvation of the business, just the same!

The construction engineer and the banker-director will change all warehousing. The very fact that, in their prospectuses, they exaggerate the possible net earnings—this will make them all the more valuable as directors after the warehouse is launched.

The new terminal warehouses, in a word, will be operated with an eye to financing. The management must know costs—not by guess work and not by referring to warehousemen's rate-books and not by quoting charges, but by exhibiting authentic documents for the

month of June after June's business is all entered on the books.

The management will be compelled to go another step. Banker-directors will oblige the warehouseman to budget his expenses and his costs in advance; and then they will "put him on the carpet" next month to explain why the budget estimate did not tally with the actual results.

After a few months of escaping with alibi defenses, the warehouse management will face the inevitable: operate the house on the basis of costs.

Cutting warehouse rates, openly or secretly, is a common practice of these new terminal managements. All over the country they give one month or six months of free storage, or gross rental allowance, in order to fill the house. They are achieving, too, rather a bad reputation as price-cutters over the whole scale of warehouse charges. When we make this statement, it is well to remember that they are not the first rate-cutters, nor the only ones even today.

With banker-directors, however, the price slashing comes to early grief.

"After the second month," one of these presidents tells me, "I got so I was nervous before every directors' meeting. They had me buffaloed. They didn't expect to show any net earnings so soon, but they were hungry hounds for wanting every month to show up better than the one before. No matter how I explained it, they growled. Then, one morning, our auditors dropped in to make a 'surprise audit' of our books—sent down by the directors without telling me, for the purpose of checking costs against my reports to them."

Construction engineers and investment bankers are largely responsible for pouring tens of millions of new money into the warehouse industry within the past three years. They will probably double the investment of new money in the next three years. They are "promoters," without any question. They are making money for themselves by the "promotion" with equal certainty.

But—and in this "but" lies the salvation of the whole movement—these same individuals will bring to warehouse management "engineering" skill and "banking" viewpoint. These "promoters," to save themselves from ruin, will be compelled to see to it that warehousing makes good net earnings.

Railroad Backing

THE railroads have always been a factor in warehousing. Every reader knows the history, the repeating of which is not important at this time. In the warehousing of grain—elevators—railroad ownership and railroad control have made and unmade cities; with cotton, the railroad influence on warehousing

has shifted markets and dominated prices; with wool, even today, the warehousing is largely of railroad control. The same story comes to the surface with the apples of New York and of the Northwest, with the sauerkraut industry and the pickle business. Even the lowly bean must bow to railroad warehousing policies.

Cold storage and general merchandise warehousing have had their struggles to fight free from railroad influences. The whole of warehousing, in brief, can never separate itself from railroads; or, at the port, from water carriers; for the obvious reason that transportation and warehousing are but two parts of a single process. Goods can be moved to the market only by transporting them and then by sheltering them until wanted.

With warehousing, however, the present railroad attitude is that of openly and frankly announcing their interest. The carriers publicly declare their ownership of warehouses, or they lease the ground for others to build, or they construct warehouses on the "overhead" rights of their freight terminals much as they have built hotels and office buildings over the Grand Central Zone in New York, or they become partners in terminal warehouses where their rails enter. With the railroads the item of paramount importance is that their rails shall enter the warehouse, for the railroads care for warehouses only in so far as they make freight revenue for the carrier.

Costs Sign-Posted

IN the competition of the railroad world the freight terminal is tremendously important. The late A. H. Smith, president of the New York Central, was often heard to remark:

"It costs more to get the freight into the cars and to get it out at the other end than to haul it from Chicago to New York."

An exaggeration, possibly, was this statement, and yet it sign-posts the bigness of terminal costs.

Quite natural, therefore, that railroads should try to get firm grip on warehouse connections. The warehouses keep freight revenue from competing railroads. The more merchandise consigned to the Coe Terminal Warehouse in Detroit, the greater the freight revenues for the Michigan Central; the more volume of "forwarding" handled by Judson in the same city, the finer for that same railroad. Examples may be multiplied at will.

At first thought it might seem that the railroads' only interest is that of getting more freight to haul. Such is their primary interest. They know, from vast experience, that unless the warehouse makes a fair profit it will become a

Public Warehousing and Economic Distribution

sore-spot, and, in the end, the freight will go elsewhere.

Note the further fact that with these new terminal warehouses the railroads cannot escape knowing whether they are making profits. This may not be true with a railroad-owned or railroad-operated warehouse, for, in such a case, the earnings or losses may be so consolidated with the general railroad revenues that the warehouse losses are not brought to attention. The auditing department may know the true status, some operating officials may sense the situation, but the general stock-holding public and the directors of the railroad are quite apt never to know the warehouse losses. A railroad is so large, with such a jumble of statistical exhibits, that the warehouse losses may be so merged in general freight revenues that few even guess the truth.

If, however, the same railroad leases ground to a terminal warehouse; or if it holds half a million of the bonds; or if, as the Grand Central Terminal development, the railroad owns the second-mortgage bonds—in any such case, failure to pay the annual lease requirements or failure of the warehouse to meet its maturing coupons creates a situation that demands action. The railroad's legal department is at once called into conference; even the directors may be notified. Unpaid ground rent and unpaid bond coupons require legal proceedings to protect the railroad's stake.

Therefore it results that a railroad-owned warehouse may lose money as a minor incident to operating a railroad without arousing attention, but that a terminal warehouse losing money becomes a matter of high importance to the railroad. Railroad backing for the new terminal warehouses becomes, in the end, an added guarantee that these projects must succeed.

City Pride

MANY of the new terminals have enlisted support of the city, the State, and, in one of two instances, the Federal Government. The identical condition comes into play.

The city might operate a warehouse at an annual loss without arousing public censure of the administration. Other city enterprises are so run without exciting scandal.

City pride and the city's newspapers would take a different view of a warehouse terminal, operated privately, that failed to meet its obligations to the city either for ground rent or for interest on money borrowed. When a city begins to do what Atlanta is doing for municipal publicity, the warehousemen do well to take heart, knowing, as they do, that the warehousing industry will

boom. So with a score of other cities that are emulating Atlanta's faith in her own future.

Faith in the Future

WHY do promoters, bankers, railroads, and cities pour these millions into terminal warehouses?

The answer is plain. It is simple. "The greatest opportunity to increase profits in the next ten years will come through better distribution." Parallel with this runs the belief of all that "warehouses cut costs."

As bankers and as manufacturers plan for the years 1928 and 1929 they see ahead one thing so prominently in the middle of the road that they simply cannot detour it—they see warehouses as the future of distribution. The warehouse solves spot stocks; the warehouse supplements jobber distribution; the warehouse matches distribution to advertising.

All see this. The promoter-engineer and the promoter-banker are merely riding the crest of the wave. They are finding it so easy that it "is a joke" to market terminal warehouse bonds, because every investor can see the handwriting.

The Market Key

"THE warehouses do for the community what the railroads do for the country," declares the president of one of our largest trust companies. "The warehouse controls distribution within its radius. The warehouse is the key to the American market."

Bond houses find, as a result, that the bigger the issue the easier to sell!

The new terminal projects, with their sanguine estimates of earnings, look to the future. They indicate faith in the future of warehousing, that faith being the knowledge that—

Warehouse distribution is the biggest thing in American marketing!

Our railroad systems were built by men who had faith in the future of America, both north and south of the Canadian line. Their present wealth justifies that faith. The new terminal warehouse undertakings evince a similar faith in the future of distribution.

It may be well to remember, at this time, that the railroads fell into troublous times. They failed to earn their interest. They went through bankruptcy. They had dark years, many and many of them at that. It is not to be expected that all these terminal warehouse projects will escape receiverships: it is, rather, a certainty that financial difficulties will come to many of them.

But this risk should not obscure the more fundamental fact that the faith of their builders will, one day, be amply justified by the rewards.

"Do More Business"

TO estimate ten cents per square foot as the net earnings of a warehouse is ridiculous—ridiculous, that is, just from storing goods. Any floor foreman could tell that.

Here is a familiar comparison of what will swell those earnings:

Our chain cigar stores quickly found that they were selling all the tobacco normally used by all the men who pass their corners. Plainly, these men could not be sold more than their usual needs. The cigar stores added other quick-selling men's articles, well known to all, with which they have done wonders: one chain in 1926 disposed of \$5,000,000 of a single make of safety razor.

If, today, you measure net earnings of the chain cigar stores by square feet of store floors, you will get net earnings larger than their total sales of tobacco per square foot!

This points a moral for warehousemen.

Other services must be added to straight storing of goods to swell the revenue.

Like the cigar stores, too, the added lines will not demand bigger warehouses nor more accounts. The only change will be "to do more business with present customers."

Must Create New Services

IN order to earn the money they will need for heavy overhead, the new terminal warehouses will be compelled to devise new revenues for warehousing. They will be compelled to create new services to patrons, to fill more gaps in distribution of goods. There is no alternative. To fail to create new services means bankruptcy to the new terminal enterprises, one and all.

What will be those new services?

Some of them we know.

They will develop use of the accredited-customer lists.

They will make the terminal warehouses "marts" for machinery, furniture, specialties, radio, refrigerators, a dozen commodities.

They will extend custodian warehousing, in all probability.

They will advance the financing of stored goods.

They will displace branch agencies; more than that they will supplement them by showing manufacturers they need more spot stocks than agencies.

They will advertise warehousing.

Many more things they will undoubtedly do, of which we of 1927 have no guess, to the end that the warehouse will do for the manufacturer everything except book his orders.

All these things the new terminal warehouses will be compelled to do in order to earn their fixed charges, even if

there may be no other reason.

Taken all in all, these terminals are the most encouraging feature of mer-

chandise and cold storage warehousing of today. They are laying out millions of fresh investment as evidence of

their faith that warehousing has but scratched the surface of the big thing it is soon to become.

A Warehouseman's Letter to a Banker Regarding Possible Earnings of Terminals

UNQUESTIONABLY the erection of large terminals in various cities presents a problem to which the industry's leaders are giving serious consideration. This is illustrated in the thoughts set down by F. R. Long, manager of the S. N. Long Warehouse, St. Louis, in a letter which Mr. Long has sent to several of the banks in his city. This communication reads:

"I have noticed in the press in the last few days that Mr. Jacob Berger, Jr., of the Liberty Central Trust Company, authorizes the statement that he is responsible for enlisting the promotion of a contemplated \$6,000,000 terminal in North St. Louis, this terminal to make of St. Louis a great distribution point for various commodities that would be received in car and train load lots.

"In the first place I want to say that St. Louis is now overwarehoused, practically all warehouses in the city at this time being able to take large quantities more of goods than they have on hand, and that every warehouse now doing business is doing exactly what Mr. Berger is quoted as saying this new enterprise will do. Therefore, from a commercial standpoint, there is no need for more warehouse facilities in St. Louis.

"The warehouse industry in general through the country is looking with disfavor upon the erection of these terminals, because usually large bond issues are floated to pay for the erection of them, and in the prospectus usually sent out statements are made that do not bear out the experience of the best warehousemen in the United States.

"I have an advertisement clipped from the Chicago Tribune of April 13, 1927, offering for sale \$2,200,000 worth of 6½ first mortgage gold bonds. The security offered seems to be ample, yet

the statement of earnings shows that they expect to earn net about \$1.31 per square foot per year, when warehouses in this section and pretty much throughout the United States are working on a basis of 90 cents per square foot per year gross. There is no hope of making any such revenue from properties such as this, and it seems to the warehouse industry that these terminals are being promoted more with a view to making promoters rich than from the standpoint of economic necessity.

"I have a letter from President Lee of the American Warehousemen's Association, which says in reference to this matter:

"The estimate of these net earnings appears to me to be so far in excess of the actual earnings realized by many of our leading warehouse concerns that I feel the matter should not be allowed to pass unnoticed. It occurs to me that the American Warehousemen's Association should take steps at once to set before the investing public some of the real facts in connection with earnings of concerns in our line of business.

"It would seem that unless something is done to counteract such statements the day is not far distant when we will find such an oversupply of cold storage and merchandise warehouse space in the country that our present interests will be most seriously jeopardized."

"You may think that we have a selfish motive in this, and I will admit that the throwing of tremendous amounts of space on the market that are not needed is a jeopardy to our industry, and yet I think that we all feel that there is a danger to the public in buying bonds in an enterprise of this sort.

"Our experience has been that these terminals are erected and cannot possi-

bly be operated under around 12 cents per square foot per month gross, and when the space is thrown on the market that very often it is sold on a basis of 5 cents per square foot, not only do they not get rates that are adequate to conduct their business profitably, they take business out of the channels where it should go.

"I trust that you will overlook the length of this letter and give serious thought to this matter, as we expect to address several banks along this line, and think that the bankers' association should not lend themselves readily to the promotion of enterprises that are not needed and are likely to lose money for the general public and upset the warehouse industry for years to come."

In submitting a copy of this letter to George C. Dintelmann, St. Louis, secretary of the Missouri Warehousemen's Association, Mr. Long commented:

"Merchandise warehouses throughout this section are operating on a basis of 7½ cents per square foot per month on their occupiable space.

"Over a period of, say, ten years the experience of older warehousemen is that this occupiable space will be productive to the extent of between 50 and 60 per cent. Using the larger percentage, this would make about 4½ cents per square foot per month of expected revenue. Out of this revenue, of course, must come rental and all overhead in connection with the storage department.

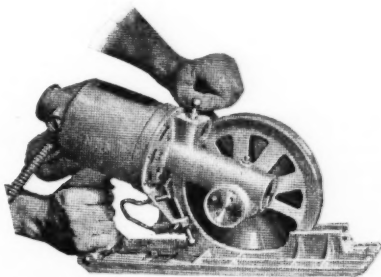
"The amount of occupiable space in the modern warehouse, taking out for walls, aisles, elevators, offices, boiler rooms, and the like is 66⅓ per cent of the entire area. No terminal erected at this time could hope to operate profitably under 12 cents per square foot per month."

New Type of Handsaw Produced by Wallace Company

PRODUCTION of the Wallace electric handsaw, adaptable to use in warehouses, is announced by J. D. Wallace & Co., manufacturers, 134 South California Avenue, Chicago, this saw being the latest addition to the company's line of portable electric woodworking machines. It is described as "efficient, powerful, fool-proof, and—above all—safe."

A universal type of motor makes it possible to use this handsaw on either alternating or direct current, any frequency, with maximum efficiency obtained by connecting the motor direct to the saw spindle.

The machine is equipped with a



Wallace electric handsaw. Note how it fits the hand like a plane

patented guard which has been accepted as standard by the underwriters' laboratories. The guard is locked in a position which covers the blade at all points. When the operator wishes to cut, he releases the safety guard by means of a trigger conveniently placed near the grip. When the cut is finished and the saw is lifted from the work, the safety guard or shoe automatically drops and locks in position, covering the blade, and will not open again until released by the trigger. The blade is covered at all points above the point of work when the machine is in use.

Next Congress Is Expected to Regulate Interstate Truck Common Carriers

Chairman Esch of I. C. C. Now Preparing Report for Submission Before December to Senate and House Committee

By H. D. RALPH

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MOTOR trucking companies will be faced at the next session of Congress with regulatory legislation drafted along lines laid down by the Interstate Commerce Commission, it can safely be predicted at this time.

Last year there was a chance that Congress would enact legislation to regulate interstate buses and passenger common carriers but would allow trucks carrying freight for hire to go without governmental supervision for the time being, but it now appears certain that trucks and buses will be considered together.

Drafting of a law to regulate interstate common carriers by highway will be the first and largest problem to confront the Senate and House committees on interstate commerce when Congress convenes in December.

Congress postponed action on the matter last session largely because the Interstate Commerce Commission had under way an intensive study of the problem. The Commission's report will be ready in December, and meanwhile the pressure for such a law has greatly increased,

Statement by Mr. Esch

NO definite statements as to what the report will or will not contain can be obtained at the Interstate Commerce Commission, but Chairman Esch in discussing the progress of the work laid so much stress on the rapid development of the motor truck as a common carrier as to make it certain that the proposed legislation will have in mind both busses and trucks.

"Attempts were made last year to have a law passed regulating passenger vehicles but excluding freight trucks from Federal regulation," said Chairman Esch. "This was on the theory that the passenger-carrying business was much more developed than the freight hauling business, that trucks could make only short hauls economically, and that the trucking business was not a serious factor in interstate commerce. This was the opinion generally expressed when we began our series of hearings last year, but even in this short time the situation has materially changed.

"When we began our investigation it was generally thought that a truck could

not operate economically more than 25 miles. Now we learn that trucks are operating profitably on hauls of 75 miles or more. Trucks operating as common carriers are becoming more numerous and are covering more territory in all parts of the country, and are therefore becoming much more of a factor in interstate commerce. As they extend their sphere and as they are patronized more, truck lines take on more and more the characteristics of a public utility. Also as they lengthen their hauls they encroach more and more upon the province of the railroads and take away from their revenues.

"Railroads are generally glad to let trucks have the short haul business, as a railroad cannot make money on a short haul, as it has two terminal charges to come out of a low line-haul rate; but when the railroads, which have their rates and schedules closely supervised, see their freight business going to motor truck lines, they become insistent that the trucks be subject to similar regulation."

Chairman Esch was reluctant to discuss the embryo report, but stated that

so Congress will be bound to get busy early. Congress itself will be much occupied with questions of the Mississippi flood relief and control and with tax reduction, but the transportation committees of the two houses, having disposed of a number of railroad bills last session, will have before them nothing so important as bus and truck regulation.

The Interstate Commerce Commission has not yet completed its report, but is definitely planning to do so before the convening of Congress. The field work has all been done, the testimony summarized, and statistics of the numbers of buses and trucks in use have been published. Chairman Esch is writing the report himself, but as yet only has it sketched out. When he completes his task each of the other ten Commissioners will make suggestions and the whole thing will be discussed at round table sessions and may be entirely revised.

If the report is ready before December it will not be made public but will be held in confidence until it can be formally presented to Congress, as the Commission undertook the inquiry with a view to advising Congress of the situation and does not intend to release its report during the Congress recess.

it would deal with the legal problems of motor carrier regulation as well as with the traffic problems involved and would differentiate between trucks and busses and their respective regulatory problems.

"Contrary to the general opinion," said Mr. Esch, "the Interstate Commerce Commission is not seeking to expand its own powers. We operate only under authority of Congress, and we have plenty of work to do at present. It would be an enormous task for us or any other single body to attempt to supervise all motor transportation.

"There have been many suggestions that the State utilities bodies be given authority by Congress to deal with local matters, with our Commission reviewing cases on appeal when two States could not agree or where the parties were not satisfied with the State body's decision. This would decentralize the work and relieve the I. C. C. of a great deal of detail, and the plan appears to have found considerable favor.

"But in addition to the machinery of regulation there are many grave problems of policy to be determined.

How far should we go in regulating rates, schedules and safety devices? The Supreme Court has held that individual States can make interstate busses conform to speed and traffic rules and can tax them for the support of the highways they use, and these matters are not concerned. How many lines should be allowed to occupy a single field? How much capital should a new truck line be required to have before being allowed to start? Should a proposed line be required to show much demand before being allowed to start or should we let it try out the field and attempt to develop patronage?

"Then in addition to the conflicts between the different motor vehicle lines we have the conflict between motor and rail transportation. Should we allow busses and trucks to ruin the capital investment of railways and trolley lines? Of course

the public is entitled to the best transportation facilities possible, and if rail transportation cannot keep its popularity the motor vehicles should be given a chance, but should we first give existing steam or electric lines a chance or several changes to give adequate service before letting the bus and truck into the field? If the rail line is abandoned, should the rail company be given the first opportunity to substitute a motor line or should an independent company be given the privilege?

A Survey and Suggestions

"These are some of the problems that the Commission must consider in making its report, and which Congress must debate and settle before enacting legislation."

The Commission's report will undoubtedly be rather lengthy and will first

discuss the present field of motor vehicles as common carriers and will then make recommendations as to legislation.

Just how definite and detailed these recommendations will be cannot be ascertained, but due to the thoroughness of the Commission's study and the action of Congress in awaiting the report it may be inferred that they will be rather specific.

Congress, of course, will not be bound by the Commission's findings and recommendations in any way, and there will be public hearings on the proposed legislation and much discussion of it before final enactment, but it is safe to predict now that early in the next session of Congress the Interstate Commerce Commission will recommend and Congress will consider legislation to regulate trucks carrying freight for hire in interstate commerce.

Survey of Warehouse Facilities in Five Western States Is Being Conducted by Shippers' Advisory Board

Distribution and Warehousing's
Washington Bureau,
428 Munsey Building.

ARE there enough warehouses in the Western States? Shippers say not, and so a survey is now being made to find out.

Under the direction of the Central Western Shippers Advisory Board, the States of Nebraska, Wyoming, Idaho, Utah and Colorado are being scoured for all available storage space, public or private. The summer quarterly meeting of the Board at Casper, Wyo., will feature the report of the committee in charge of the survey.

Storage space for agricultural products, particularly perishables, is the immediate object of the survey, but all warehouse facilities are being considered. This is the first time that such a survey has been made in any section, it is said, and if the results warrant it, the same plan will be tried in other sections.

The survey is the result of demands by shippers that more warehouse facilities be supplied in their region. They insisted that there were not enough to hold their crops; transportation experts thought that perhaps the available space was not properly utilized, so they have undertaken to find out.

Freight Movement Speeded

A few years ago every farmer marketed his own crops when he got them harvested and when he found a buyer. This often caused the utmost confusion with the railroads, created car shortages, and glutted the markets. So fourteen Shippers Advisory Boards were created in different parts of the country. Under the supervision of the car service division of the American Railway Association the shippers now coordinate their freight movements, so that cars are supplied to all; the rail-

roads can be prepared for the shipments, and the markets get a more even inflow of produce.

At the same time agricultural machinery has speeded up the harvesting of crops. These two factors—increased speed in harvesting and cooperation among shippers—coupled with the generally faster freight movements of the railroads in recent years, have all worked greatly to speed up the movement of crops from farm to market. The problem now is to retard this movement, holding part of the crops until the market is favorable.

To do this, warehouses are necessary, and the Central Western Shippers Advisory Board has set out to find out just what storage space there is within its five States. This is a new job for the Advisory Board, not directly transportation, but the logical sequel to their former efforts.

After the storage space is located it will be the Board's objective to stimulate the use of this storage space for crops. In this connection some shippers raised the objection that many banks, particularly in Colorado, were refusing to loan money on warehouse receipts, and that farmers who need cash cannot afford to store their crops. A committee of the Board has investigated this and will report to the Casper meeting the conditions on which banks will and will not loan money on crops stored for a better market.

The warehouse survey is taking three courses with a view to determining the storage on the farm, the storage at origin or midway shipping points, and the storage at urban centers. The Bureau of Agricultural Economics of the United States Department of Agriculture is collecting statistics on the storage space on the farms in the five States, working

in cooperation with the various State agriculture departments, county agricultural agents and other sources of information.

The Transportation Division of the United States Department of Commerce is supervising the census of warehouses in the cities and at the shipping points, in cooperation with officials of the Car Service Division of the American Railway Association. Each State chairman of the survey, appointed by the Shippers Advisory Board, is coordinating the work in his own State.

Questionnaire Sent Out

The survey will include all commercial warehouses, cold storage houses, grain elevators, corn cribs, potato cellars, hay storage, and all kinds of buildings, wherever located, which might be used to store crops, either perishable or staple, for various lengths of time in order to slow up the present speedy movement between farm and market.

A warehouse questionnaire has been devised for the purpose, seeking such information as location, type of construction, capacity for dry and cold storage, railroad connection, fire insurance rates, main commodities stored, percentage of capacity used annually, storage rates, origin of storage whether local or outside of a radius of 50 miles, and storage held in transit.

The report will not only show the farmers how they can best store their crops for a favorable market, but also will show the warehouse men in the region whether they are failing to make the most of their opportunities or if capital can profitably be invested in building more warehouse facilities in the five States of the Central Western Shippers Advisory Board territory.

—H. D. R.

Further Testimony in I. C. C. Inquiry Into Railroads' Port Services

By S. F. HOLLAND

THE Boston hearing of the Interstate Commerce Commission on the question of the practices of the railroads as to charges for wharfage, handling, storage, and other accessorial services which these carriers render at Atlantic and Gulf ports, was held in the library of the Boston Chamber of Commerce on June 1.

The hearing took up the entire day and was held before Examiner R. N. Trezize. The opening session was an examination of railroad witnesses and a cross-examination of their answers to questions previously submitted at the hearing in Washington in March before Commissioner Meyer.

More than a hundred persons were present, including the following representatives of the public storage industry:

Charles E. Cotterill, Atlanta, counsel for the American Warehousemen's Association; Samuel G. Spear, chairman of the A. W. A. ports and port terminals committee and president of the Massachusetts Warehousemen's Association and treasurer of Wiggins Terminals, Inc., Boston; Gardner Poole, a past president of the A. W. A. and president of the Quincy Market Cold Storage & Warehouse Co., Boston; George S. Lovejoy, Boston, a past president of the American and Massachusetts associations, and who was for many years chairman of the committee now headed by Mr. Spear; Olin M. Jacobs, Boston, secretary of the Massachusetts association; Philip Godley, president of the Pennsylvania State Warehousemen's Association and proprietor of Godley's Storage Warehouse, Philadelphia; G. Stuart Wise, foreign trade agent of the Canton Company of Baltimore, and Mr. Meyers, traffic manager of the railroad connected with the Canton Company.

At the afternoon session there was a controversy over the value of the exhibits of the carriers. Attorneys declared that the figures submitted by the carriers as wharfage costs were of no practical value inasmuch as the freight on which the carriers received a line haul had been considered to the exclusion of the substantial tonnage handled to and from the wharves by trucks. Witnesses estimated the proportion of freight handled over the railroad piers on which the railroads do not receive a

line-haul or switching-haul to be as high as 50 per cent.

There were frequent tilts over the question of segregating in the published rates the line-haul and strictly terminal charges and the accessorial charges.

At the height of the discussion Examiner Trezize emphatically reaffirmed the ruling of Commissioner Meyer to the effect that switching is not within the scope of the present investigation, and that lighterage is included along with storage, handling, wharfage, and dockage.

The Howard tariff, covering wharfage charges generally in the port of Boston, was offered by Attorney Cotterill as an exhibit and admitted after a protest. Attorneys for other interests immediately asked for copies of the exhibit, claiming they were unable to get them unless they paid a dollar for a copy. The A. W. A. attorney smilingly replied: "My clients are not very wealthy, but we will be willing to donate copies to those who give me their names and addresses." This announcement caused an outburst of applause.

Wharfage Absorbed

It was brought out that there were no dockage charges at the railroad-operated piers in Boston, and that wharfage charges were absorbed by the carriers on all freight moving in and out by rail. The Howard tariff, therefore, it was brought out, applied only to freight brought to and away from the piers by trucks.

The first witness was Dwight S. Brigham, assistant general manager of the Boston & Maine Railroad, who has served as chairman of a sub-committee of the local carriers interested. Mr. Brigham testified on operating features of Exhibit NA 5, Boston. By agreement, other ports in the exhibits will be known as NA 1 for Norfolk, NA 2 for Baltimore, NA 6 for Portland, and NA 9 for New York Harbor.

The usual custom of putting on a witness and examining and cross-examining him was dispensed with, as the carriers announced they had all the experts present prepared to answer any questions, but did not deem it necessary to put

them on as witnesses in the face of the presence of the questionnaire, which answered them all. It was agreed that Mr. Brigham might be cross-examined in regard to the questionnaire, which he answered with the aid of the others of the carriers' committee, and in the event of his not being able to answer a specific question he was permitted to get the answer openly from one of the experts present and repeat the answer as his own, to keep the record running in sequence without breaks.

At the very opening, Mr. Day of the traffic bureau of the Merchants' Association of New York, started something by asking concerning the alleged failure by the carriers to file wharfage rates with the Commission, which he said was required by law.

W. N. Cole, attorney for the Boston & Maine, replied that such was not the law, but Mr. Day insisted that it was a new and recent requirement of the law. The matter was finally left for interpretation of the law by the attorneys.

Mr. Brigham then went into detailed descriptions of the movements made in the interchange of freight between the various rail carriers and between the rail carriers and the coastwise and foreign ships. He described the shifting and delays, and distances and time consumed in transfers. He pointed out that the rail carriers in Boston were able to make direct transfers by rail to all the docks. He testified that practically all freight was handled direct between rail and vessel in coastwise and foreign commerce.

Intermittently questions crept in which indicated the recent case between the Boston & Maine and the Merchants & Miners Transportation Co. on the freight shifting from lighterage to trucks through the congested streets of Boston. Frequent questions indicated the interests would not be opposed to seeing a general lighterage or car-float service organized in Boston similar to that now operating in New York Harbor, and it was brought out that this service would be much quicker for all concerned than that of the present system of interchanges.

Mr. Brigham testified to the leasing of the pier property of the B. & M. to

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the Mystic Terminal Co., which is, in fact, a subsidiary of the B. & M. Attorney Cole for the B. & M. explained that the terminal company controlled only the piers and had no control of the trackage or operations over it.

Mr. Brigham, continuing, testified that 16 per cent of the B. & M. interchange was switched and that 84 per cent was handled direct to the vessels. When questioned at length on switching service for water shipments, he testified that more than two-thirds of the B. & M. traffic handled was direct, without light-erage, and that practically all shipments were handled by direct contact with rail and vessel with one exception—the M. & M. T. Co. The witness explained the rail route from the South Station to East Boston, a distance of some 13 miles, compared with the short distance between those points by water. He said he had no knowledge of the New Haven road considering lighterage as against the rail haul.

There were other frequent questions concerning the feasibility of interchanging freight by lighters and floating cars between the Mystic and Hoosac Docks, the East Boston piers of the Boston & Albany, and the South Boston docks reached by the New Haven. It was brought out that this would be a saving in distance traveled, in ample time for the interchange, and in cost for the change in that it would eliminate the costly switching charges and delays at present involved.

Mr. Brigham, answering these questions, dealt with the ownership and operation of the several wharves, investment figures and the time of switching operations in the handling of traffic as from the South Station to East Boston, because of the inability to make this movement other than between midnight and 5 a. m.—this being followed by night classifications in the yards before proceeding. Figures in the Boston switching case were read into the record.

Consideration was made of the answer, which stated the New Haven road

owns no stock of the B. & M., but this was explained as being a direct answer and not intended to deceive. It was amplified so that it was admitted that the Boston Railroad Holding Co. owned stock in the B. & M. and that this road was in turn owned by the New Haven. There was some testimony that the New Haven owned only some furniture used on Commonwealth Pier and that the United States Government owned the trackage on the Army Base and its piers.

During the examination of Mr. Brigham attorneys interspersed pointed remarks regarding the Mystic Terminal Co., a subsidiary of the B. & M., controlling the Mystic and Hoosac Piers, insinuating that this subsidiary was a means used for the collection of extra charges by the railroad.

R. W. Barrett, chairman of the railroad committee of counsel, and general counsel for the Lehigh Valley Railroad, represented the carriers, making most of the explanations of the answers in the questionnaire, which were described as dubious.

Some Storage on Piers

Charles W. Boynton, foreign freight agent of the B. & M., testified that storage rates on piers in houses of the railroad, and in outside houses, were different. He admitted some storage was on the piers, and stated that the B. & M. storage rates were much too low. He pointed out differences in storage rates. He testified as to the wharfage charges made by B. & M. to steamships, explaining the money was required for the up-keep of the piers. He admitted the establishment of wharfage charges to steamships and of the necessity of modifying these charges later because of competition in getting business.

Attorneys examining Mr. Boynton made some pointed insinuations concerning the railroads' entry to the storage warehouse business to the disadvantage of the public warehouses, but were unable to obtain much information from the witness other than that he believed

the Boston & Maine storage rates were far too low. Mr. Boynton testified that it would be a tremendous task to segregate and publish the rates in separate sections, as one for haul and one for accessorial charges.

George M. Wood, rate traffic manager of the New Haven road, testified his company maintained no storage rates because it maintained no storage houses, being so situated that it was impracticable to build and maintain them. He modified his statement later, saying the company did store one commodity. He admitted that the New Haven made no charges to vessels using its pier. He stated that his railroad entered New York by the "back door" and maintained no piers there for vessels. His company, he said, made sure to comply with all regulations of the other railroads at the port of Boston.

Arthur H. Ferguson, of the New England Traffic League and of the New Bedford and Fall River chambers of commerce, opposed any attempt to increase the rates by assessments of wharfage charges and such items. He opposed the segregation of port charges from the line-haul rates so as to permit of publishing and collecting line-haul rates and terminal charges separately. He said it was difficult enough today to route merchandise and figure the rate from the present published tariffs.

H. H. Davis, of the Wool Trade Association, testified that Boston was the biggest wool center in the country, with Philadelphia second, and he opposed the addition to the line-haul rates of charges for accessorial services such as switching, storage, and handling. He urged a uniform system at all ports on all carriers, allowing for free competition and the making for better business at the port of Boston.

R. K. Dale, for the Massachusetts Department of Public Works, and others made brief statements of their views on existing local conditions and the proposals concerning wharfage, dockage, handling, storage, and other accessorial charges at Boston.

I. C. C. Grain Decision Is Interpreted as Having an Important Bearing on Port Inquiry

Distribution and Warehousing's
Washington Bureau,
428 Munsey Building.

AN indication that warehousemen have a good chance of winning their case before the Interstate Commerce Commission regarding the terminal service performed at Atlantic ports by the railroads was contained in a decision by the I. C. C.

The American Warehousemen's Association, together with several individual warehousemen, is party to a case now pending before the Commission, which seeks to require the railroads to separate their line-haul rates from their terminal charges, and either to discontinue transfer, storage, trans-shipment, and

handling of freight at ports or to make separate charges for these services on a scale with which private warehousemen can compete.

Recently the I. C. C. handed down its decision in a case involving grain rates to Atlantic ports. The case mainly dealt with grain rates to Boston and the differentials in the grain rates between the North Atlantic ports, but representatives of the port of Philadelphia laid great stress on the fact that at New York the railroads allowed elevator service, while at Philadelphia this service must be paid for as an extra charge, thus putting that port at a disadvantage. This situation also takes a prominent part in the general terminal charges

case in which the warehousemen are interested.

The Commission held that it could not pass on this question of terminal charges on grain while determining the matter of the line-haul rates, because no testimony in the case pertained to this situation, but the opinion, written by Commissioner Eastman, took the view that terminal charges on grain should be separate from the line-haul charges. The decision reads:

"It is quite impossible upon this record to compare with any accuracy the terminal services performed at the ports upon this grain after the cars are spotted at the waterfront elevator, or the

(Concluded on page 60)

"When Shall I Scrap My Truck?"

There's a Definite Time for the Trade-in—and a Scientific Basis for Determining—Meanwhile Proper Maintenance Prolongs the Vehicle's Life

By PHILIP L. SNIFFIN

THERE is a definite time for trading in a motor truck. To trade it in before that time is extravagance. To keep it longer is false economy.

How can a warehouse owner tell just when that time arrives?

In the first place let us just see what points must be considered when we are wondering whether we ought to scrap a truck. Then we will tell how some of the truck owners who have made a study of this situation are getting the "turn in" problem on a practical scientific basis. These are the seven keys to the solution:

1. Cost figure charts always show that unit running costs go steadily down until the car reaches a certain age and then begin to climb again.

2. Breakdowns, involving delays and irregular schedules, become sufficiently frequent after a certain point so that the lack of dependability more than balances the investment saving if a new truck is not bought.

3. Accident risks increase as the truck becomes older. The crystallization of aged parts, including such units as steering parts, spindles, wheels, brakes, etc., is the cause of many expensive mishaps.

4. The advertising and good will value of a new truck as against an old one is worth something in considering the advisability of the investment.

5. The driver's pride in his vehicle and his interest in his work are likewise worth considering. No one can expect a driver to take pride in an aged run-down vehicle, and a firm cannot attract good drivers to its employ when it asks them to work with antiquated machines.

6. On the other hand, the difference in price between the trade-in value of the old truck and the price of a new one must be justified by the elimination of enough undesirable features which would exist if the old truck were kept in service. In other words, it is not enough to say that because a truck is beginning to indicate wear it should be replaced. A computation of costs is necessary to show that the new purchase is really the most economical thing to do.

7. A new truck, of course, requires breaking-in, as will be pointed out in this article. This means that a change in usage will be needed so that the new vehicle will be favored with a reliable driver and less strenuous service for the first thousand miles.

How Age Affects Costs

IN measuring the difference between buying a new truck and using the old one, three factors influence and vary the cost. These are:

1. Age of car. A car will become more expensive as it grows older in use. Replacements are necessary on parts which become worn through age. Age will affect also price of replacements because of changing models.

2. Miles driven. There is a definite increase in maintenance expenditure with an increase in miles run. At certain mileages overhauls are necessary.

3. Territory covered. City cars cannot be compared with country cars without some adjustments for differences in road conditions and traffic.

All costs considered, the majority of concerns which have made careful studies find that the time for trading in is between three and five years. A survey made about two years ago by a truck association shows an average of four years and three months.

Your Business and the Motor Truck

HERE is sage counsel for the warehouse owner who may be wondering when is the logical time for trading in his older motor trucks for new. The "turn-in" problem can be put on a scientific basis—and the author tells how in this sixth of his new series of articles dealing with motor vehicle equipment, etc., in the storage industry.

Mr. Sniffin is an advisory motor truck engineer who is nationally recognized as an authority in this field. His seventh text will appear in an early issue.

However, averages and general recommendations are without value in deciding an individual case of this kind. So much depends on the quality and size of vehicle, the kind of service it must perform, and the nature of the roads and the traffic conditions in the territory it serves.

Some definite means of measuring actual costs is necessary to reach the answer. Some concerns have done this. Systems have been worked out for fixing the time when maintenance costs stop going down and begin to climb up.

How These Systems Work

THE most satisfactory method is to chart the performance of each truck in service. The figures of the chart are easily obtainable from the yearly cost summary. Then we will be able to detect the time for trading-in and know what we can expect from certain types of vehicles and from certain specified truck requirements.

Income Tax Ruling on "Trade-Ins"

NO loss is recognized from the trading in of trucks and passenger cars used, for business purposes, for new vehicles to be used for like purposes, under a Federal Bureau of Internal Revenue ruling filed in Washington on May 28. The ruling reads:

"Advice is requested relative to the allowance of a loss in respect of automobiles traded in on new automobiles in the case of the M Company.

"The taxpayer during the year 1922 traded in three trucks and three passenger cars, all used for business purposes, for new trucks and passenger cars to be used for like purposes. The trade-in value was 7x dollars less than the depreciated cost as at the date of the exchange. In 1923 two cars were traded in at a trade-in value of x dollars less than the depreciated cost. The taxpayer deducted these amounts as a loss in computing net income for 1922 and 1923.

"The automobiles in respect of which the taxpayer claimed a deductible loss were used for business purposes, and, therefore, were held 'for productive use in trade or business' within the meaning of Section 202(c) of the Revenue Act of 1921. They were 'exchanged for property of a like kind or use' within the purview of such statute. Consequently, no loss is recognized from the exchange."

Accompanying this article are three tables, which show the way in which one concern has figured the time for trading in. These are reproduced because they illustrate, better than any amount of description, the proper way to go about it.

In this case the computation has been made on a basis of light four-cylinder cars. The same principle exactly can be applied to any size of truck. Your own figures inserted where these are now shown will give you a bird's-eye picture of your costs and enable you to tell when it is wise to scrap a car.

Table 1 is a summary intended to show what happens to the depreciation and maintenance costs if a truck is traded in every year, every two years, every three years, or every four years. It has been based on the concern's experience with trucks used both on city routes and country routes, and shows also the figures for different monthly mileages.

It will be noted that costs go down until the truck is three years old and then begins to climb again.

In Table 2 a tabulation is given of certain items among the maintenance figures, showing how rapidly the costs

of overhauling and replacements increase as the truck rolls up a greater mileage. These figures do not, of course, represent total maintenance expense. They include only the charges that are due to wearing out of parts and repairs caused by the age of the vehicle. This table is of help in determining also the time to trade in a car.

Table 3 is similar to Table 2 except that it covers the regular maintenance or running expenses. It enables the owner to tell the cost of regular maintenance involved in a truck from one year to another during its life. Here, too, it may be seen that there is a gradual increase each year, not as noticeable as the items in Table 2, yet costs which must be calculated in arriving at a decision.

One company with considerable experience in gaging the proper time to trade in has drawn the following verdict from its own cost comparisons:

"According to our way of reckoning, a light four-cylinder car that we use for city salesmen should be good on an average of three years, and at the end of that time should be traded in on a new one. We have made rather exhaus-

tive surveys of the subject, and, by a series of reports made by our department of industrial engineering, we have been able to apply standard costs to individual cars. These reports provide for the three-year trade-in policy—the period will, of course, vary with conditions of use."

Amortizing Trucks

EVERY cost system, of course, if it is at all complete and trustworthy, allows for depreciation based either on years or mileage.

Different concerns depreciate trucks in different ways. Nevertheless it is advisable to set an approximate length of service to be expected from each vehicle and to charge off *pro rata* each month until the complete investment is accounted for. Amortization (the reserve for depreciation) is best calculated on a basis of miles, running from a usual minimum of 20,000 miles to 50,000 miles, depending on the quality of the vehicle and the kind of service.

If, at the time of a trade-in, the full investment has not been charged off, the depreciation period has been under-

Table 1

Cost of Depreciation and Maintenance Per Year, City Light Fours

Average Monthly Mileage	Cars Traded Every			
	Year	2 Years	3 Years	4 Years
675 miles	\$386.85	\$287.53	\$265.25	\$275.56
1,000 miles	423.60	344.70	344.40	347.12
1,400 miles	484.00	435.50	424.50	429.38
2,000 miles	581.70	552.25	539.50	552.00
COUNTRY LIGHT FOURS				
1,000 miles	444.75	374.32	382.08	388.15
1,550 miles	538.90	521.02	513.52	524.03
Total—Average Cost Per Year..	\$476.60	\$419.20	\$411.50	\$419.40

Table 2

Average "Unusual" Maintenance Expense Per Car, City Light Fours

Car Run From—	Cost	Cost per Mile
1 to 5,000 miles	....	....
5,001 to 10,000 miles	\$17.44	\$0.0023
10,001 to 15,000 miles	32.41	0.0026
15,001 to 20,000 miles	64.85	0.0037
20,001 to 25,000 miles	107.88	0.0048
25,001 to 30,000 miles	172.28	0.0063
30,001 to 35,000 miles	218.33	0.0067
35,001 to 40,000 miles	264.38	0.0070
40,001 to 45,000 miles	310.43	0.0073

Table 3

Regular Maintenance Cost (Not Including "Unusuals"), City Light Fours

Average Monthly Miles Traveled	Maintenance Cost per Month			Maintenance Cost per Mile		
	First Year	Second Year	Third Year	First Year	Second Year	Third Year
501- 600 miles.....	\$3.80	\$5.30	\$6.40	\$0.0069	\$0.0096	\$0.0116
601- 700 miles.....	4.20	5.80	7.50	0.0065	0.0090	0.0115
701- 800 miles.....	4.60	6.60	8.60	0.0062	0.0088	0.0114
801- 900 miles.....	5.20	7.60	9.60	0.0061	0.0089	0.0113
901-1,000 miles.....	5.80	8.40	10.60	0.0061	0.0089	0.0112
1,001-1,100 miles.....	6.40	9.40	11.60	0.0062	0.0090	0.0110
1,101-1,200 miles.....	7.00	10.30	12.70	0.0061	0.0089	0.0110
1,201-1,300 miles.....	7.60	11.20	13.80	0.0061	0.0089	0.0110
1,301-1,400 miles.....	8.30	12.20	14.80	0.0061	0.0090	0.0110
1,401-1,500 miles.....	9.00	13.00	15.95	0.0062	0.0090	0.0110
1,501-2,000 miles.....	12.40	18.00	....	0.0062	0.0090	....

estimated or the truck has given poor service. If the vehicle has been charged off completely with a usable amount of service still to be received, the amount is of course considered as a profit in the business.

By preparing tables such as the accompanying ones it will be possible accurately to tell a good investment from a poor one. Likewise, exorbitant expenses due to poor handling on the part of drivers may be detected and remedied.

Advice on "Trading-In"

THERE is always a tendency to scrap a truck prematurely or unwisely due to what appear to be unusually good trade-in allowances from truck dealers. A dealer, trying to sell a new truck with a policy of "long trades" and an inflated price to make up for it, often makes an unusually high offer for an old truck on a trade-in.

This, of course, is one of the biggest problems of both the motor truck and passenger car industries. Long trade allowances are misleading and often tempt an owner to trade in his old machine at a good price for a new truck that is really not such a bargain after all.

The best advice that can be given on this subject is that your first problem is to select equipment that will give full dollar-value by harmonizing with conditions peculiar to your business.

Consideration of this is paramount. Forget your second-hand equipment for the moment, for its disposal is a problem all its own. It is an important problem, to be sure, but of secondary importance during the purchase of new equipment.

The purchase of new equipment should not primarily contemplate the replacement of old; but if it does, then you must carefully weigh the dollar-value that is still left in the old equipment or its component parts against that of the new.

The purchase of new equipment must necessarily be considered from so many different angles that it is difficult to conceive of anything else occupying your mind during the transaction.

The purchase of new equipment is of paramount importance, the disposal of the old secondary. Both require study and a knowledge not only of transport conditions but of sales values as well. "Be sure you are right, then go ahead."

Scrapping Obsolete Trucks

AVEHICLE which has become an "orphan" or an obsolete model may usually be scrapped to profitable advantage. As a truck becomes older it is necessary that parts should be immediately available. One owner expresses this well in the following statement:

"One of the big factors we found we had to take into consideration when we were simplifying our equipment was to select those types of cars that underwent the fewest engineering changes from year to year, and whose makers give good service on parts. This latter has been extremely important, for with some of the makes that we have owned it has occurred many times that a car has had to stand idle on the floor for several days waiting for some minor part which was expected at any moment from the factory. This kind of a situation is naturally very expensive, as our net loss on a car standing idle is in the neighborhood of \$15 a day."

In buying a truck, likewise, the trade-in value at the time of turning-in should be considered. There is a great difference in the "book value" of different makes of trucks of the same age and original price, and this difference is based generally on the popularity of the make and its reputation for quality.

Avoid, by all means, the possibility of having an "orphan" or an obsolete model on your hands at the time of a resale. It means hundreds of dollars of difference in the actual price obtained.

When to Scrap Tires

THE replacement of solid tires when necessary should not be neglected. A great deal of damage may be inflicted upon the vehicle when the tires have been worn to a point where they have very little cushioning quality.

Ordinarily a solid tire should be replaced when it has been worn down to within an inch of the steel base. It must

be remembered also that the condition of the rubber in a solid tire has a great effect upon the tire's resiliency, and that, even though it may be two or three inches in thickness, it may need replacement.

It is a good idea occasionally to interchange rear tires with front ones. The rear tires, being the driving and braking tires, naturally are subject to the greatest abuse; by interchanging them with the front tires their mileage life will be considerably lengthened.

Changing tires from one side to the other is also a practical method of increasing the service obtained from them, as those on the right-hand side are usually considered to be subject to the greater strain.

"Breaking In" a New Truck

AND remember that when you do trade in your old truck for a new one, some provision must be made so that the new vehicle gets the right start toward a long mileage life.

The bearings and all working parts of a new truck are fitted sufficiently snug to prevent them from working loose, until they have adjusted themselves. Therefore the driver should exercise care and good judgment in driving the new truck by avoiding the full-governed speed and hard going for the first 200 miles.

The working-in of the engine, and all new and stiff parts, is entirely in the hands of the operator. A little care and sufficient lubrication during the working-in period will repay the owner well after the truck has "found" itself.

It is a good practice to pour one quart of good lubricating oil into the gasoline tank with every five gallons of gasoline during the first 500 miles. This will help to lubricate the piston rings while they are working in, and will give more mileage to the gallon.

Inspect and tighten all nuts frequently (especially those on the spring clips) during the breaking-in stage. All nuts are thoroughly tightened at the factory, but while the spring leaves are settling the spring clips have a tendency to work loose.

U. S. Supreme Court Rules Interstate Motor Transport Lines Subject to State Taxation and Control

Distribution and Warehousing's
Washington Bureau,
428 Munsey Building.

AMOTOR transport line is subject to taxation and control of all States through which it passes, the Supreme Court of the United States held in a decision recently handed down in the case of Benjamin H. Clark against the Public Utilities Commission of Ohio.

The fact that a line may be engaged exclusively in interstate commerce does not preclude the State from levying and collecting a tax or making and enforcing regulations controlling operation within the State's border.

The decision was written by Justice

Brandeis. In dismissing the Clark suit he held that highways are public property, and that users, although engaged exclusively in interstate commerce, are subject to regulation by a State to insure safety, and that they may be required to contribute to highway cost and up-keep. The full text of this decision, important to motor truck operators, follows:

"The Ohio Motor Transportation Act of 1923 as amended, Gen. Code, Sections 614-84 to 614-102, provides that a motor transportation company desiring to operate within the State shall apply to the Public Utilities Commission for a certificate so to do and shall not begin to

operate without first obtaining it; also, that such a company must pay, at the time of the issuance of the certificate and annually thereafter, a tax graduated according to the number and capacity of the vehicles used. Sections 614-87, 614-94.

"Clark and Riggs operate as common carriers a motor truck line between Aurora, Ind., and Cincinnati, Ohio, exclusively in interstate commerce. They ignored the provisions of the Act, and operated without applying for a certificate or paying the tax.

"Then they brought this suit, in the Federal Court for southern Ohio, to en-

(Concluded on page 49)

An Economical Arrangement of Rug Vault

By O. Y. LEONARD

Lewis & Leonard, Architects and Engineers

AS the vault for the proper protection and storage of rugs has come to be of primary importance in the household good storage warehouse, we are submitting for the consideration of the warehousemen the arrangement which Lewis & Leonard have provided for the Lincoln Storage Warehouses, Inc., East Orange, N. J.

The advantages of this arrangement of racks are as follows:

By having the door of the vault open onto the space utilized as a landing space front of the freight elevator doors, no additional space is killed for this turning purpose. The landing space is necessary without considering its use in connection with the rug vault—it is a space that has already been sacrificed from the earning area of the warehouse.

Standard Racks

The width of the vault is such that it lines up with the other wall rooms on a fifty-foot-wide building, and gives a minimum loss of space, with one aisle only, with racks each side.

Racks are of standard pattern, so no great expense is involved for special drawings, patterns, templets, etc.

Racks are galvanized and have two coats of baked enameled paint. Therefore they will not rust, and have a neat appearance.

Racks are adjustable, easily dismantled or erected, and hence eliminate a mechanic being sent out from the manufacturer to erect them.

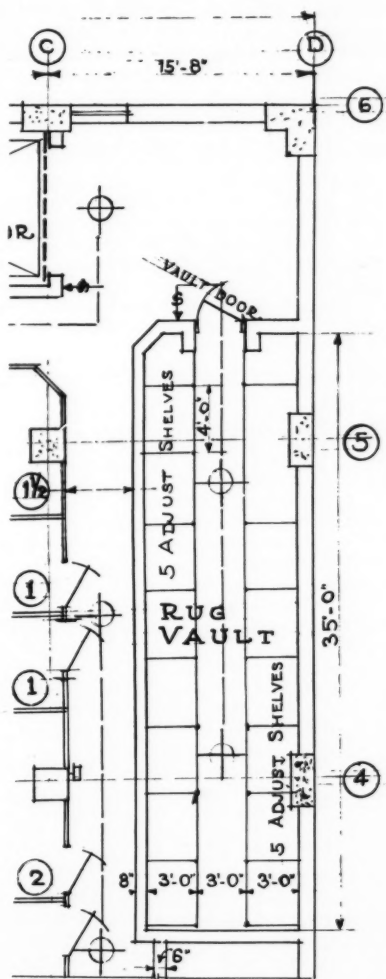
Racks are designed to carry the load. Hence there is no buckling when heavy rolls of rugs are dropped onto the shelves or when a workman stands on the edge of a rack to remove rugs from the upper shelves or to place rolls on the upper shelves.

Rugs are not disturbed or mused, nor is wrapping torn by trying to shove the roll into a niche or to withdraw the roll. There are no sharp corners to tear wrappings or rugs.

Considerably of importance, this rack is adaptable either to rug or trunk storage and therefore can be used by the warehouseman according to which kind of storage—rug or trunk—is in greater demand.

No rug is too long or too short to be taken care of on this type of rack. The rug rolls do not extend out or lie on the floor, as is so often the case with a rack of the niche type. No one is walking

SOME of the advantages of the type of rack or vault—for storage or rolls of rugs—installed by the Lincoln Storage Warehouses, East Orange, N. J., are here set down by the architect responsible for the installation.



~ SKETCH SHOWING ECONOMICAL ~
~ ARRANGEMENT OF RUG VAULT ~
~ SCALE, 1/8" = 1'-0" ~

over or on the rugs. The roll rests evenly, supported its full length of the shelves at the place where it is deposited from the shoulders or arms of the warehouseman. A slight space—from the end of one roll to the next row of rolls—provides ample room for the tag on each roll to be visible.

If more vault space is needed than one floor affords, another vault may be arranged on another floor—again utilizing the space that is used for a landing from the elevator.

The stiffener angle that is in the front edge of the shelf, over which the pan of the shelf is bent, gives a smooth rounded surface that protects the rugs from rolling off when tiered one or two rolls high. This has the advantage of a rack slightly sloped to the wall, in that the rugs are in no danger of ever coming off the shelf. (A heavy roll or two of rugs dropping from an upper shelf would exert quite a pressure on a person below when accelerated by Newton's law.)

This type of rack has no supports at the front of the shelf but the supports of the pans are of the cantilever type—that is, an arm extending out from a post or strut at the wall. This post or strut is anchored to the ceiling and to the floor. A cross brace at the ceiling to the rack on the other side of the aisle makes for absolute rigidity of the rack. This gives tiers of long open shelving on which the rolls of rugs are easily placed or from which they are easily removed.

Gasoline Supply to Shrink

According to a statement issued in Philadelphia by R. D. Leonard, president of the Atlantic Refining Co., consumption of the country's gasoline has caught up with production. He said:

"The official figures of the national gasoline situation, published recently by the United States Bureau of Mines, throw significant light on the unprecedented demand for gasoline in this country.

"Due to an unusual gain in consumption during the early months of the year, stocks on hand at the end of March were but slightly in excess of 52,000,000 barrels. Continued withdrawals from these national reserves at merely the present prevailing rate, without consideration for any startling increase in consumption, will reduce the supply on hand at the end of August by approximately 543,000,000 gallons."

H. A. Haring's

New Business for Warehouses

XX

"Selling" Your Warehouse to Your Local Newspaper

IN our suggestion for New Business this month we shall not present a chance to sell warehouse space to a new patron. We shall consider "selling the warehouse idea" to your local newspaper, with the idea that one such "sale" will, in the end, bring to your warehouse many patrons who otherwise might not know of your existence.

Warehousemen read newspapers, of course. Warehousemen know that newspapers factor large in the marketing of goods, and that newspaper advertising is closely linked with local merchandising of all sorts.

But how many warehousemen, we have been wondering, know anything about the newspaper's own "business promotion department."

How much is known, among warehousemen, of what the newspaper does to cooperate with advertisers in order to make sure that the advertising will sell the goods?

Any man who supposes, for one moment, that a city newspaper runs an advertising campaign for "Flit" or

"Calumet Baking Powder" or "Wesson's Oil" or General Motors or Mr. Nobody's Cure for Everything, and then stops at printing the "ad," makes a terrible blunder. The newspapers believe in advertising—they could not indeed live without it—but they have so much to lose if the advertisement fails to yield results that they take no chances.

Any advertiser can buy a single page without trouble. It would be rather difficult, on the other hand, for an advertiser to launch a campaign of \$10,000 in a big city without the newspapers asking some question before they ran the copy. Surprising as this may sound to one who has done no merchandising, a bit of thought to the matter will show the cold logic behind the newspapers' attitude.

The newspapers have had too many sad experiences wherein a distant advertiser laid out a goodly sum of money to proclaim the merits of an article without seeing to it that dealers could supply the demand.

Distribution Should Precede

AT one time we had a flamboyant "national" idea, along which went the policy of "forcing" distribution by advertising. The theory was that the advertising should arouse such enthusiasm among readers that they would "demand" the product of retailers. The retailer, having "demands" from so many of his customers, would in turn "demand" it of his jobber. The jobber, in response to the "demands" of so many retailers, would buy stock from the manufacturer and start the merchandise on its way to the clamoring consumers.

This system involved enormous sums for advertising, and often the retailer found that by the time he secured the merchandise the advertising appropriation had been exhausted and customers had lost interest. It was not fair to the manufacturer, jobber, retailer, or consumer. It assumed that advertising should supplant selling. In reality, advertising should be an aid to selling.

In contemplation of the foregoing situation, such a policy as the following has been adopted by the best newspapers, the one quoted below being that of the *Chicago Tribune*:

"The *Tribune* considers it a waste of money to advertise a product distributed through the retail and jobbing trade until that trade has been supplied with merchandise to take care of the consumer demand when created."

To any advertiser whose appropriation within a city warrants it, the newspapers give a special merchandising ser-

vices for the purpose of moving from the shelves of dealers all the goods sold to them as a part of the advertising campaign.

"The effectiveness of the newspaper's advertising," says one newspaper man-

agement, "depends upon our keeping faith with the dealers and jobbers of our territory."

"Keeping faith" means that the dealer and the jobber shall not be left "high and dry" with unsold goods after the campaign is over.

The older theory of newspaper advertising had two weak spots. In the first place, the advertiser was frequently "broke" before the circle was complete and money began flowing back to him to compensate for his great advertising outlay. In the second place, by the time the product reached the retailer the consumer had forgotten his original request for it, or had been well satisfied with a substitute.

The new theory of newspaper advertising and coverage is based on zone marketing: cultivate thoroughly the zone naturally covered by the newspapers used for the copy. The business promotion department of the newspaper replaces the two weak spots of the older theory by a "merchandising service" whose motto is "Advertising is an investment, not a speculation."

Standard "Merchandising Service"

SO great has become this development in all the major cities that a "standard" has been formulated for this merchandising service. The rules were worked out jointly by the National Association of Newspaper Executives and the American Association of Advertising Agencies. Its regulations are as follows:

"The legitimate functions of a news-

Sell Your Warehouse to Your Local Newspaper

NEWSPAPERS have business promotion departments which cooperate with their advertisers. These departments have extensive route lists and maps which analyze local territories.

How often do you find public warehouses on such route lists? Rarely ever. But—

"You will find the railroads listed, and all the jobbers, and all the private storerooms of manufacturers, and all their agencies, and your bootblack and your hot-dog dealer—even your enemy's bootlegger. But your warehouse: try to find it!"

So writes H. A. Haring in this twentieth of his series of "New Business for Warehouses" articles.

Had you thought about all this? You will after you have read Mr. Haring's text. Then act on his suggestions—and develop new accounts!

paper merchandising and service department are:

"First—To study the local market and trade territory and be able to report intelligently thereon for both local and national advertisers.

"Second—To furnish such information for prospective advertisers and to make investigations which may be generally useful and applicable to many accounts, but to insist that the identity of the proposed advertiser be made known before reporting information compiled on a specific line.

"Third—To endeavor to educate the dealer in better merchandising methods and to insist that advertised goods be furnished customers rather than 'just as good' substitutes.

"Fourth—To encourage adequate merchandising by supplying data maps, route lists to the trade for the use of salesmen or the manufacturer or advertiser who has made a *bona fide* contract for advertising space.

"Fifth—To decline requests for service that are clearly not within the province of a newspaper, such as selling goods, or other canvassing, or the payment of bills for printing and postage of letters, broadsides, etc."

Systematic Coverage

THE merchandising service of a newspaper does not attempt to sell goods for any manufacturer, but it does furnish the manufacturer with *advice and knowledge*, with *definite systematic plans* for covering the local territory.

The newspaper gives expert assistance in the hiring of specialty salesmen, the organization of a local sales force, the instruction of salesmen in the use of the newspapers' local portfolios, routing of salesmen among the thousands of local dealers, the checking of their work each day, the solving of problems raised by jobbers and retailers, and similar work.

Since the development of this newspaper merchandise service idea, national advertisers use the newspaper business promotion department as the short cut to the local market—the market of your own city, if you will. Crews of men are built up, by the newspaper business promotion departments, to work for the distant advertiser. That same promotion departments help break in (for local conditions and local geography) crews the manufacturers may send from the factories; the same departments work with crew managers from the factories.

The Tools Used

ONE of the commonest aids to this work is the "route list." The route list for a grocery product, as an example, will list all dealers to whom such a product might be sold, classified under four groupings: retail grocers, delicatessens, specialty grocers, and wholesale grocers. For one city, for which the list is at hand, 6268 concerns are on this list.

A route list for electrical supplies and radio supplies, for the same city, contains 3511 concerns, classified under 17 groups:

1. Department stores that handle these goods.
2. Electric appliance dealers.
3. Electric fixture dealers.
4. Electric machines and instruments.
5. Electric motors and dynamos.
6. Electric storage batteries.
7. Electric supplies.
8. Electricians.
9. Electrical contractors.
10. Electrical engineers.
11. Hardware.
12. Music and musical merchandise.
13. Music boxes and musical novelties.
14. Phonograph records.
15. Pianos, player pianos and organs.
16. Radio sets and supplies.
17. Repair shops.

The route list, following the suggestion of its name, then arranges these dealers in order up one street, across a back alley, around a block, and then back to the other side of the first street, just as one would get to them if he had tramped and trudged over the route for a lifetime to visit those particular dealers. A stranger can take a route list and make calls on every dealer in the city for a certain line of goods with as little lost motion as the postman on his route.

The routes are numbered. They are made up by districts of the territory, usually with a preface to describe the general nature of the population of that district; the number of dealers is given at the top of the route; also are given directions to reach the route's starting point from a downtown center; what route to take, and where to get off.

Then, for the list itself, the locations are given in order for easy finding, with the complete name of the dealer; and, for each, some key number to indicate to which of the sub-group classes that dealer belongs.

For the grocery route-list already mentioned there are 44 such routes; for electrical and radio supplies, for the same city, 44 also.

Maps

THE route-list book, as a rule, will have also a map of the city, with the route sections marked in color. For that reason the number of routes, for a given city, is apt to be the same for all products. For downtown sections, detailed street maps are provided.

Not every city will have the same set-up of route lists. As a rule, however, the associations of newspapers have given so much attention to this matter that the cities tend to uniforming groupings of dealers.

A recent intensive study of this service merchandising for a large number of newspapers has divided city distribution under the following heads:

- Automobiles.
- Auto Accessories; Supplies; Garages.
- Bakeries.
- Cigars and Tobacco.
- Chains—Cigars and Tobacco.
- Clothing—Men's.
- Clothing—Women's.
- Confections and Soft Drinks.
- Contractors' and Builders' Materials.
- Department Stores.
- Drugs and Drug Sundries.
- Chains—Drugs and Drug Sundries.
- Dry Goods and Notions.
- Electrical Appliances and Fixtures.
- Electrical Contractors.
- Factory, Office and Store Equipment.
- Florists.
- Fuel and Ice.
- Furnishings—Men's.
- Chains—Men's Furnishings.
- Furnishings—Women's.
- Furniture.
- General Merchandise.
- Grocers and Food Products.

- Chains—Grocers and Food Products.
- Hardware.
- Household Appliances.
- Jewelry.
- Leather Goods and Luggage.
- Lumber and Mill Work.
- Meats.
- Chains—Meats.
- Musical Instruments.
- Novelties and Toys.
- Oils and Gasoline.
- Chains—Oils and Gasoline.
- Paper, Paper Products.
- Plumbers, Heating.
- Produce, Commission.
- Radio Equipment.
- Shoes.
- Chains—Shoes.

Warehouses Not on the Lists!

NOT much to do with warehousing? Think twice before you give answer.

There may be some cities and some newspapers which include the warehouses in their route lists. All I can say is that I have never found one.

Within three months I have had two long talks with the business promotion manager of one of this country's largest newspapers—a man who has led in this movement of merchandising service. When I had presented the weakness of his "service" in not including the public warehouses of his city, this is what he said:

"Until I met you I never thought of them. I know we have warehouses in the city, and I know our advertisers use them. But until this conversation I never got the picture of what a warehouse does to market goods."

The word "warehouse" does not occur in the route lists of that newspaper. Nor does it appear in the index to a 600-page book from another publisher—a book for which the postage cost 50 cents, and which is probably the most thorough marketing analysis ever published.

As a test, Mr. Warehouseman, get the route lists and those wonderfully interesting maps of your favorite newspaper for your own city. Better still, get them for each newspaper of your own city.

Go through those pages of up-to-the-minute merchandising "dope" about your home city—and then ask yourself, honestly and without any cribbing, this question:

"Why isn't my warehouse listed on those routes?"

Then ask this question:

"Why doesn't the business promotion manager of my newspaper shoot that business to my warehouse?"

You will find the railroads listed, and all the jobbers, and all the private store-rooms of manufacturers, and all their agencies, and your bootblack and your hot-dog dealer—even your enemy's bootlegger. But your warehouse: try to find it!

Get on the Route Lists

INSTEAD of using half a day to root up some prospect for storage space, take three hours and spend it with the business promotion manager of your favorite paper. Don't be stingy—do the same for the other local papers.

"Sell the warehouse idea" to that man and to every subordinate in his department. He and his men spend days and

(Concluded on page 62)

scattering its fire, it takes up one talking point and puts the emphasis heavily on that."

Among the most valuable opinions on headlines, and one that can be happily applied by warehousemen, was one given in an article in *Printers' Ink* by Hobart Wiseman:

"In case of doubt, recourse may always be had to the old reliable headlines that begin with 'how,' 'what,' 'when' or 'where.' Such headlines may not be exciting but they are always useful over messages addressed to canny buyers. They are often found over copy that contains more or less 'reason why' and where the aim is conciseness and practicality. They appeal to the prospect who wants facts.

"One advantage about headlines like these is that they almost compel the advertisement to be logical and helpful. There is little chance of the copy-writer wandering away from the subject or getting into side issues as long as he keeps his eye fastened on the title."

Another plan that cannot be im-

pressed too strongly is to ask a question in the headline. This is not a new idea—far from it. But it is an effective one; advertising experts are constantly bringing forth new examples of the value of the question mark in getting attention.

Do you think that W. Livingston Larned showed a knowledge of human nature when, in *Printers' Ink*, he voiced his "suspicion that one of the surest methods of getting attention is to put a problem up to the reader?" Mr. Larned said:

"A plain statement in the headline might go unnoticed by many. Many interesting statements attract only a certain percentage of persons. But it is natural for us to answer a question. This question may be in any of a number of forms. It may be merely a reminder of a fact thoroughly established, it may be a challenge, it may arouse the reader's cupidity and again it may be a mild reprimand.

"But answer the question the reader will, if he sees it at all.

"The action is mentally automatic, irresistible.

"People have a way of thinking that they are human index files of information. It's pretty good proof of sound and active mentality to bob up with a quick answer or a clever solution.

"The question mark is an arouser of interest. In a sense it is a 'dare.' 'Answer me if you can!' it says.

"And as it is necessary for you to read down into the body of the text to discover the other fellow's answer and as you very much wish to see if your own is correct, this headline or leader has lured you (the prospect) into hearing all that the advertiser has to say."

Take-offs, along the lines suggested, may not always make the storage or transfer advertisement spectacular. But they will prevent it from standing on its head, crashing into disinterestedness and from getting nowhere. As Mr. Carhart reminds us:

"Watch your take-off. It is as important as knowing when to stop. And that latter is knowledge beyond price."

Dairy Products Move into Chicago in Electric Refrigerator Cars

ELECTRIC refrigerator cars are a new feature of the service of the Chicago North Shore & Milwaukee Railroad running out of Chicago. Each car has its own electric refrigeration plant and is equipped with a motor control cabin. These cars are for use in transporting meats and other perishables north between Chicago and Milwaukee and for bringing butter, eggs and other products of the dairying district to Chicago.

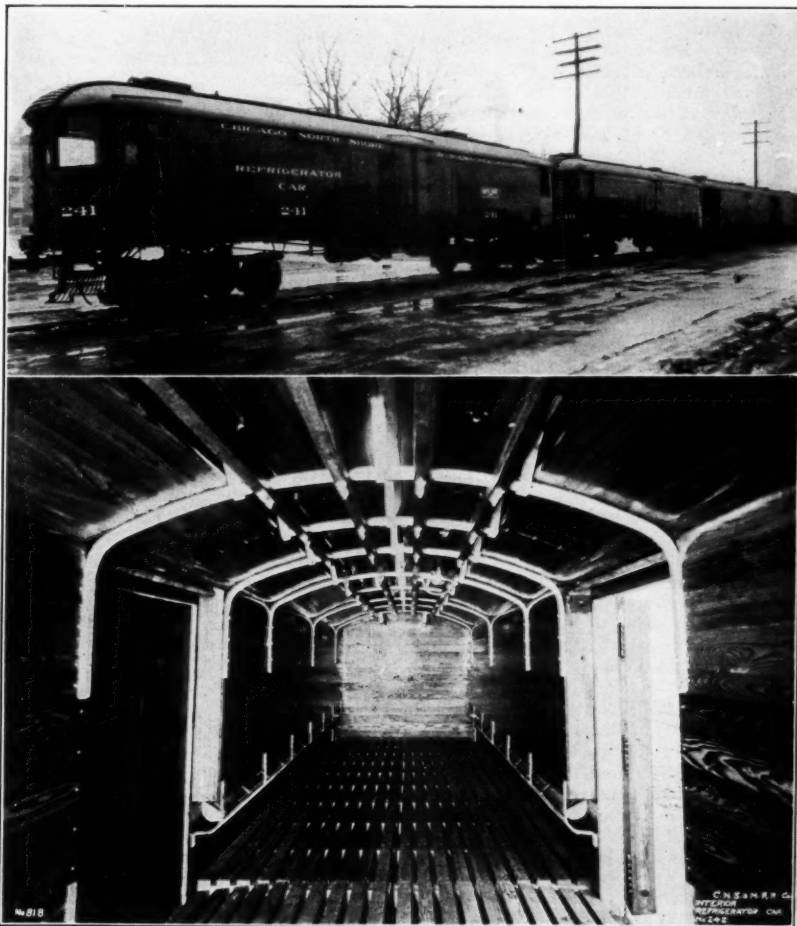
Each car is equipped with a Phoenix 2-ton refrigerating plant, using a water and ammonia solution for cooling purposes. The doors are provided with a special sealing and locking mechanism. The floor insulation consists of one-half inch of Celotex and two inches of compressed cork, both of which are covered with a one-half inch layer of waterproof cement, applied while hot, thus making a positive waterproof seal. On top of the cement are placed two thicknesses of mica-surfaced waterproof tar paper, then a one-inch yellow pine floor laid crossways of the car. A 13/16-inch oak flooring laid lengthwise of the car comprises the surface of the floor.

The walls and ceilings are also carefully insulated. The five 50-watt electric globes inside the car for furnishing light are enclosed in gas-filled glass covers to prevent the heat from radiating through the car.

There are 740 feet of extra heavy 1-1/4-inch galvanized iron pipe in each car. The refrigerating machinery is electrically operated and thermostatically controlled so that any desired temperature can be maintained.

Ogden, Utah, Firm Sold

All the capital stock of the Western Gateway Storage Co., Ogden, Utah, has been sold to the American Packing & Provision Co. of that city.



Above—Showing type of electric refrigerator cars put into use by Chicago, North Shore & Milwaukee Railroad. Below—Showing interior of one of the cars

It Pays to Grunt When You Move a Piano

By WILLIS H. PARKER

"IF you want to make a friend of a woman, tell her that hers is the heaviest piano you ever had to handle," declares W. E. Johnson, president of the Johnson Storage & Moving Co., Denver. This firm probably does the largest business in the storage of pianos of any warehouse company in Denver and hasn't a music company's instrument in the houses—all business being derived from the individual piano owners. This feature of the business has been built up from nothing to its present volume, wherein there are more than a hundred pianos in the steam heated piano room, all because Mr. Johnson, fifteen years ago, discovered the psychology of "grunting" when you heave away at a piano.

The discovery came about in a peculiar manner.

A certain Denver woman owned a piano which she understood was the heaviest piano made—at least the salesman told her that there were only one or two other pianos of that weight—hence it was a very valuable instrument and should be handled only by experienced movers and plenty of them at that. The woman left town for a few months and placed her household goods in storage with the Johnson company. The latter handled everything except the piano; this, the woman insisted, must be moved by the "experts" of the piano company.

While the lady was sojourning elsewhere, Mr. Johnson was putting up a new warehouse, while the structure was under way he occupied a spacious building across the street. Naturally he had to move all the goods in storage to the new temporary location. The piano went with the other goods.

The woman returned to Denver while Mr. Johnson was in his temporary location and was greatly surprised to find that the piano had been moved. She immediately wanted to see the instrument and note the condition. She registered surprise when she discovered the piano was in good shape and still in tune but—

"Who moved the piano?" she asked.

"We did," Mr. Johnson replied.

"What? You mean to say that your men moved that piano? I don't believe it. They couldn't move it, for it's so heavy that only experienced piano men can handle it."

Mr. Johnson couldn't convince her that his men were capable of that sort of work and when she ordered her goods removed to her new home he declined to move the piano because he knew she doubted his men's ability. So she left word with the piano company to do the work.

The order slip produced by the piano company to obtain release of the piano from the warehouse, showed that she had arranged that eight men be sent to handle the instrument. The piano company charged her for eight men but actually sent three and, according to Mr. Johnson, only two men really did any work.

That there is as much pride in the supposition that one owns an extra heavy piano has been proved by Mr. Johnson's fifteen years of experience, and a woman will get as much pleasure out of a little flattery along these lines as does a woman whose baby you declare is beautiful.

Hence the van men have been cautioned never to make piano moving easy—that is to "register" extreme effort in handling it so as to leave the impression that they find it hard work and that the instrument is heavy. If the customer says something about the piano being a heavy one, agree with her—never intimate for a single moment that you've handled heavier ones. It doesn't do any harm to mention to the customer a few words relative to the weight of the instrument.

Incidentally we might mention here that Mr. Johnson's moving and storage business is confined entirely to household goods and that he has built the business on the apparent appreciation that he

and his employees have for good furniture. The van man who can "register" appreciation for a beautiful rug, a handsome library table, an expensive dining room suite and doesn't hesitate to remark about the exquisiteness of the customer's property will make a friend for the company. "Never treat household goods as so much junk," declares Mr. Johnson. But getting back to the piano storage:

The success of the remainder of the storage business is somewhat hinged upon the piano storage. The owner of household goods generally thinks more of his piano than anything else and if that is assuredly well kept in the warehouse he feels confident that the remainder of his goods will receive similar treatment. Thus this part of the business is featured in all the advertising—newspaper, billboard, telephone directory—as well as in window displays, for the piano storage room is located on the ground floor of the building and to the front where huge plate glass windows permit the passing public to view the hundreds of pianos ranged in long neat rows, all with paper covers. The warehouse is located on one of the heaviest traveled streets in Denver and in the construction of the plant the advantage of visualizing the piano storage facilities was taken into consideration and the huge windows were specified.

The Weicker System of Packing and Crating

IT is the custom of the majority of warehouse and transfer companies which crate and pack household goods for shipment, to do the crating and packing at the residence. Usually the crating materials, the boxes, the excelsior, etc., are carried to the house and the packers deafen the household with the sawing of lumber, the driving of nails—incidentally filling the place with sawdust, shavings, bits of excelsior, so that a fastidious housewife would have a dozen fits an hour.

The Weicker Transfer & Storage Co., Denver, uses a somewhat different system, according to C. F. Barrett, vice-president. All of the sawing of boards is done in the company's own shipping room, and the materials are taken to the home ready to be nailed together. Thus much of the noise and mess of packing household goods is eliminated, but, of course, that of pounding nails cannot be eliminated as long as nails are used to fasten boards together.

But to eliminate the noise of sawing

wood isn't the main reason back of this company's method—efficiency, saving of time, etc., are behind all of this.

The Weicker firm has an exceptionally well equipped packing room with buzz saws to cut the boards the right length and a lumber yard in a vacant lot nearby to stock materials. When a job of crating comes up, the superintendent of the shipping room goes to the house, measures the pieces of furniture to be crated, and jots down the measurements of each piece and the number of strips of board it will take for each. Then he returns to the warehouse and cuts the boards, bundles them, labels each bundle to correspond to the article it is to be used on, and then he and his men take their materials to the home and it is not long thereafter before the job is completed.

This system has been found to be less costly, according to Mr. Barrett, as it is possible to saw a bundle of boards at one time on the power saw, whereas it would take considerable time to saw each board separately with a hand saw.

Scobey "Tags the Public"—and Builds New Business

By B. C. REBER

A SHORT time ago a man walked into the offices of the Scobey Fireproof Storage Co., San Antonio, Tex., and asked for information about shipping and storage. Prior to that he had known little about the firm. His "introduction," so to speak, had been by means of a small tag which this firm has used on the local telephone directories for several years with unique success. In fact when this man came into the Scobey offices he had one of these tags in his hand as a direction.

"That," explained Mr. O. E. Latimer, the firm's secretary, "is but one instance of hundreds which have occurred since we began the use of this tag. We have made personal investigations and have found very few of them torn off, and it seems to make little difference whether they are or not, for our business increases just the same.

"This tag is one which has been designed for simplicity and dependability. We wanted a tag which was simple and easily read; and we wanted one which would last as long as the directory was in effect. To get this it was necessary to use some care in the selection of the paper and in the design of the tag. When the final selection was made, however, we had a tag which would stand up under rough usage and at the same time was attractive.

"A hole is punched through one corner of the telephone directories and through this hole a cord is threaded on which is carried the tag. This cord is strong and heavy and is not easily pulled off, so we are assured that not

only will the tag last but that it will be attached to the directory as well.

A "Memory Tickler"

"Placing it in this position makes it a reminder that will stand forth more prominently than any other thing I know of. When the new directories first come out the tags are so noticeable that they cannot be overlooked. Later, when anyone picks up the book to look up a number, the tag will tickle his hand, reminding him of our firm and our business. If a man should become angry at the tag and tear it off or jerk it out, it is all the more evident that he will remember us.

"Outside the use of calendars and a small amount of display space, these tags are all the publicity that we use during the year. They have been prominent on all the directories during the past five years and they are as well known in this locality as Ivory Soap, Gold Medal Flour, or any other old stand-by.

"It is also evident that if a person is looking for a moving company, one of the first places he will consult is in the telephone book. As he picks it up, this tag will flop around and immediately attract his attention. What more could you ask for? Newspaper advertising couldn't do this. Billboard advertising couldn't bring in such results. This little tag is a reminder at the logical time—and we benefit accordingly.

"There are approximately 50,000 telephone directories issued in this locality twice a year; so we have 100,000 tags printed for this purpose. The cost

of the printing, the 'ad' space, etc., brings the cost to us around \$1,500 a year. In return, we are reaching approximately 50,000 families twice a year, and in a manner that will keep them reminded of us during every day of that time.

"We have had scores of people come into our office with one of these tags in their hand. It has acted as a guide to them in locating our office. Small and compact, it is the same as our business card, and is presented in an effective manner every day in the year.

"Inasmuch as a great deal of our business comes from the distribution end, or in moving household goods, it is evident that we are reaching a large number of people who move and will require our services. In seeking a moving company we offer them the quickest and most direct response. Then, too, we are saved considerable trouble in preparing advertising copy or in having it done. Two cuts—one for each side of the tag—is all that is required. These are turned over to the same printing company that strikes off the telephone directories, and our worries are over. Our order is placed, the same as the directories, with a few left over. There is no reading of proofs, no selection of types or paper. Everything was selected at the start and has remained standard ever since."

It is also evident that a great deal of the Scobey company's business is directly due to this means of advertising. As a simple and effective means of stimulating and sustaining business, this tag method is well worthy of consideration.



Obverse and reverse sides of tag which the Scobey Fireproof Storage Co., San Antonio, attaches to 50,000 local telephone directories twice a year—100,000 tags annually

FROM THE LEGAL VIEWPOINT

By Leo T. Parker

Liability as Insurer

GENERALLY, a warehouseman is liable for the loss or damage of stored goods only where it is shown to the satisfaction of the Court that the injury occurred as a result of negligence on the part of the warehouseman or his employees.

However, in the case of *Lacy v. Hartford Accident & Indemnity Co.*, 136 S. E. 359, the Supreme Court of North Carolina recently handed down an important decision holding that a warehouseman operating under a bond is liable as an insurer of the goods accepted for storage.

The facts of the case are that the owners of merchandise stored it in a warehouse and received the usual receipts or certificates from the warehouseman. The warehouseman, in compliance with the law, had executed his bond in the sum of \$10,000 with a bonding company. The condition of the bond was as follows:

"Now, therefore, if the said principal [warehouseman] shall faithfully perform all his obligations as a warehouseman under said Act, and such additional obligations as a warehouseman arising during the period of such license, or any renewal thereof, as may be assumed by him under contracts with the respective depositors in such warehouse, then this obligation shall be null and void and of no effect; otherwise to be and remain in full force and virtue."

At a later date, when the receipts were presented, the warehouseman failed to deliver the stored merchandise because the goods "had been lost or destroyed, but not by any act, neglect or default of the local manager or of the warehouse, but, notwithstanding the exercise of due care, the local manager was not able to make delivery."

The warehouseman contended that the relation existing between himself and the owners of the goods was that of bailor and bailee, and that there was not sufficient evidence to subject the warehouseman's bond to liability for loss of the goods which were received and stored. The circumstances showed that the goods were stolen without any default or neglect of the warehouseman's employees and without any act subjecting them to liability in damages. The warehouseman's failure to deliver the merchandise upon demand of the owners was not due to his neglect or default. The owners contended that the warehouseman, by virtue of a special contract, became liable as an insurer.

In holding the warehouseman's bond liable for the value of the stolen merchandise, although the warehouseman

was not shown to have been negligent, the Court quoted:

"In all ordinary classes of bailment, losses occurring without negligence on the part of the bailee fall upon the bailor. The bailee's liability turns upon the presence or absence of negligence. . . . But the responsibility usually imposed by the law upon a bailee may be enlarged or diminished by special agreement. By express contract he may make himself an insurer; and as a rule he does this when he binds himself in a penal bond to perform the duties of his office without ex-

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ception. . . . There is an established difference between duty created merely by law and one to which is added the obligation of an express undertaking. The law does not compel to impossibilities, but it is a settled rule that if performance of an express engagement becomes impossible by reason of anything occurring after the contract was made, though unforeseen by the contracting party, and not within his control, he will not be excused."

Therefore the law is well established that a warehouseman may make himself liable as an insurer of stored goods by entering into an agreement to be responsible for the safety of the merchandise. The agreement may be in the form of a written contract, or oral understanding.

This Court, quoted further:

"In such cases the express agreement determines the rights and liabilities arising from the bailment. The bailee may be relieved of all liability, or he may become an insurer. A bailee may thus become liable, irrespective of negligence or fraud, for a breach of the bailment contract."

In *Atkinson v. McCarthy*, 251 Pa. 861, the higher Court held that where a person indorses a warehouse receipt which contains a written stipulation that no guarantee is given relative to the quan-

tity and quality of the goods, but does not mention the title in the goods, the person who indorses the receipts is liable if the title proves defective.

In *Patrick v. Farmers' Corporation*, 251 Pa. 872, it was disclosed that a State law provided that where a warehouseman fails upon demand to deliver merchandise stored in the warehouse, the owner is entitled to receive 1 per cent of the value of the goods, for each delay in making the delivery.

Certain merchandise which was stored was lost. The Court held that the owner of the merchandise was entitled to sue immediately for its full value and that the law effected only such transactions as related to goods which the warehouseman possessed and refused to deliver promptly.

Right to Sue Water Company

THE Supreme Court of New York, in the recent case *H. R. Moch Co., Inc., v. Rensselaer Water Co.*, 217 N. Y. S. 426, held that a warehouseman may maintain an action against a water company which fails to supply water to fire hydrants, as a result of which a warehouse burns.

The facts of the case are that a building near H. R. Moch Co. caught fire and spread to the latter's warehouse, totally burning it and the contents.

It is interesting to note that the Court said:

"The question presented is whether under the law of this State an action may be maintained by the plaintiff [Moch Company] on account of the breach of a contract made between the defendant [Rensselaer Water Co.] and the city. It is urged in behalf of the plaintiff [Moch Company] that under the law of this State it can maintain such action.

"From a study of the recent decisions it appears that the Courts of this State have taken a more advanced position than that of most jurisdictions in relation to the maintenance of an action by a third party for damages on account of breach of contract made for his benefit. . . . The municipality itself would have acted in a governmental capacity if it furnished or attempted to furnish water for fire purposes. . . . Under such circumstances no liability would attach against a city or village. It cannot be successfully urged that the water company was acting in a governmental capacity. The governmental function of the city could not be delegated to a private corporation so that it would be immune from liability. . . .

"The duty owed by the defendant to the plaintiff [Moch Company] was one

which it assumed through the corporate powers granted to it and by the franchise under which it acted and by its contract with the city as well as the laws under which it acted and was permitted to exist and continue its relations. It cannot be questioned but that the municipality, by the making of a contract and the paying of the yearly rental for hydrants for use of water for fire protection purposes, sought to care for and protect the inhabitants and taxpayers of the city. Such was the purpose of the payment of the consideration and the covenants of the contract, and such covenants were made for the benefit of the landowners and inhabitants of the city. . . . The defendant [Rensselaer Water Co.] was organized and continued for the purpose of supplying water in the city of Rensselaer, and under the law was required to supply the authorities of the city or any of its inhabitants with pure and wholesome water at reasonable rates and cost, and it was duty bound to deliver water through hydrants or otherwise for the extinguishment of fires, for sanitary, and other public purposes, and under the law was to be paid an amount on account of such contract as part of the expenses of the city, to be levied, assessed, and collected as other expenses."

Removals Ordinance

LEGAL EDITOR, *Distribution and Warehousing*: Please give me your opinion of an ordinance, the important parts of which are as follows:

"Section 1. Be it ordained by the Common Council of the city of East Chicago that hereafter all draymen and other persons who remove or assist in removing the household goods or effects of any person or persons into any building or room in the city of East Chicago, Indiana, or remove or assist in removing the household goods or effects of any person or persons from any room or building in said city to any place outside the corporate limits of the city of East Chicago, shall, prior to making such removal, obtain from the city police department a permit in writing to make such transfer; permit to designate the place from which and to which such removal is to be made, showing number and name of street in each case."—*Quick Service Express*.

Answer: An ordinance of this nature is deemed valid for reason of the natural "police power" for the purpose of benefitting the great majority of persons. In other words, an ordinance is valid that does not have the earmarks of class distinction and which is for the purpose of protecting the public health, morals, safety, etc.

Recently the Court, in the case of *Bloomfield v. State*, 86 O. S. 253, said:

"The State is necessarily invested with the police power which is the expression of the popular conception of the necessities of social and economical conditions and under which may be done that which will best secure the peace, morals, health and safety of the community."

Also, in *Metropolis v. Elyria*, 23 O. C. (N. S.) 544, the Court held:

"The only limitation upon the exercise of the police power of the State is that such power must be exercised for the interests of the public in general as distinguished from the interests of a particular class; and the means which are adopted must be reasonable and necessary to accomplish such purpose, and not unduly oppressive upon individuals."

A Common Carrier Case

LEGAL EDITOR, *Distribution and Warehousing*: We had a lawsuit recently decided against us on the ground that we were common carriers. The facts in the case are briefly as follows:

We had three bathtubs on our truck and were proceeding within the speed limit on the right side of the street when our truck was run into by a touring car going at least fifty miles per hour, and one of the bathtubs was thrown off the truck and broken. There was no allegation of negligence on our part, and the whole issue in the case was whether or not we were common carriers; and, if so, whether we were liable as insurers of the goods.

The case went to the jury, which returned a verdict of guilty. We are appealing the case.

We do not operate a line between fixed points and have no regular tariff or prices and have always reserved the right to carry for whom we please. It occurred to me that you must have had occasion to go into this matter most thoroughly and that you may have some brief on the subject—*Sarasota Transfer & Storage Co.*

Answer: In a very recent case, *Burnett v. Ritar*, 276 S. W. 347, a higher court said:

"A common carrier is one who is engaged in the transportation of persons or things from place to place for hire, and who holds himself out to the public as ready and willing to serve the public indifferently, in the particular line in which he is engaged. . . . The real test of whether one is a common carrier is whether he holds himself that he will, so long as he has room, carry for hire persons or goods brought to him for that purpose."

In another case, *Holmos v. Commissioner*, 242 Pa. 486, the higher court held that the operator of several trucks who leased them to various firms was liable as a common carrier.

In the case of *Davis v. People*, 247 Pa. 801, it was disclosed that the owner of the motor trucks contended that he was not subject to the rules and regulations applicable to common carriers. This owner contracted to haul exclusively for members of an association. In fact he did not haul for any person or firm not a member of the association, irrespective of the circumstances. However, the Court held this man to be a common carrier and subject to all rules, laws, regulations and the like, by which common carriers are governed.

Also it is very important to know that a motor truck operator who hauls mer-

chandise in the conduction of his own business may be legally a common carrier if he makes it a part of his business to haul goods for other persons.

In the recent case of *State v. Boyd*, 209 N. W. 872, a motor truck operator was held to be a common carrier although he refused to haul for persons whose business he did not solicit. He did not operate between fixed termini or on a schedule.

In the case of *Purple Truck v. Campbell*, 250 Pa. 215, a motor truck operator and owner of a supply house was held not to be a common carrier. This operator used his trucks to deliver material which he sold to customers. However, if a customer desired he would, for an additional charge, deliver the purchased merchandise at the place designated by the customer. He did not haul for the general public.

Therefore, it is quite apparent that it is not necessary to operate between fixed termini and on schedule for you to be liable as a common carrier. The foregoing cited cases were decided quite recently by the higher Courts.

I am sorry to advise you that my opinion is that if your business is hauling for other persons, then you are liable and will lose the case although you appeal it.

You are liable to the owner for the damage to the bath tub but you may sue the reckless driver of the passenger vehicle which collided with your truck and hold him responsible to repay you.

Miscellaneous

IN *Gibbsland Oil Mills & Fertilizer Co. v. Louisiana & N. W. R. Co.*, 111 So. 169, the Court held that the amount payable to the owner of merchandise, damaged in transit, is the difference between its value at the point of destination and the best price at which it can be sold in the damaged condition on arrival at the place of destination.

In *S. D. Warren Co. v. Maine Cent. R. Co.*, 135 A. 527, it was held that where a Public Utilities Commission establishes lawful rates for freight service, the shippers are entitled to recover all moneys paid the common carriers, in excess of the established rates, before the rate became effective.

In *Central of Georgia Ry. Co. v. Council Bros.*, 136 S. E. 418, the higher Court, in commenting upon the rights of a shipper to demand and receive the goods at any place or time before delivery to the consignee, quoted:

"A carrier is employed as bailee of a person's goods for the purpose of obeying his directions respecting them, and the owner is entitled to receive them back at any period of the journey where they can be got at. To say that a carrier is only bound to deliver goods according to the owner's first directions is a proposition wholly unsupported either by law or common sense."

This Court, also, held that the initial carrier is liable where the connecting carrier fails or refuses to divert the shipped goods when ordered to do so by the owner of the goods.

Household Goods Warehousing in the United States*

By CLARENCE A. ASPINWALL
President, Security Storage Co., Washington, D. C.

Chapter XVIII

Damages and Repairs

THE furniture warehouseman and mover of the past excepted "ordinary wear and tear" from his liability and under that cloak he was sometimes wont to take refuge from all claims for damage. He—that is to say, the leaders in his industry—has today so far departed from that position that he frequently accepts liability for damage that he could by no means have prevented and he is inclined to resolve any doubt in favor of his customer rather than himself.

One of the claims he most frequently pays for which he is not liable is for damage from what are called "pad marks," an impression left in the varnished surface of furniture by the excelsior filled pads used in packing the piece. This trouble has become so serious that the household goods division† of the American Warehousemen's Association in 1924 employed the Industrial Research Laboratories to make a study of this subject, and the report of Dr. George W. Coggeshall presented at the 1924 meeting of the American Warehousemen's Association—under the title "Pad Imprints on Varnished Furniture After Packing"—is here reprinted:

"Pad imprints often seen on the surface of the varnish or other coatings on furniture which has been stored or

shipped, are, of course, caused by localized pressure upon the coating film.

"In some cases depressions alone are visible. In other cases the materials of the varnish have softened and become sticky, and when the wrapping pads are removed portions of the film are pulled away, leaving worse depressions than in the former case. Whatever the type of disturbance of the evenness of the coating film, the result is disfiguring to the furniture and annoying and expensive to repair. Pad imprints are quite common, particularly so on newly finished furniture.

"A study of the formation of pad imprints on varnished furniture shows that there are the following seven factors involved:

- "1. The nature of the materials of the coatings.
- "2. The method of applying the coatings.
- "3. The age of coatings after being finished.
- "4. The type of paper in contact with the coatings.
- "5. The type of pad behind the paper.
- "6. The pressure on the pad.
- "7. The atmospheric conditions while packed, hot or cold, dry or moist, light or dark.

Nature of Materials

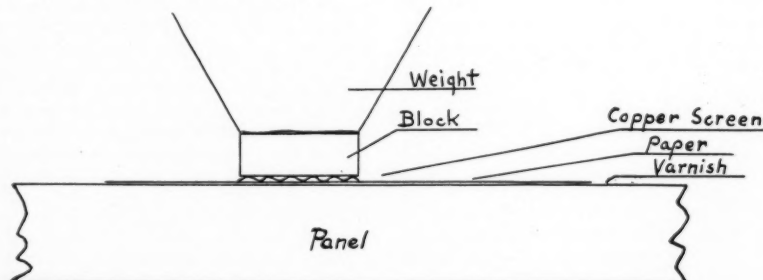
"1. *Nature of the Materials of the Coatings.*—Varnish coatings are simply thin films of mixtures of gums, oils, and driers. These films dry by oxidation; that is, the oxygen of the air unites with the materials of the film, principally the oil, causing the formation of an increasingly viscous film until finally it is a non-sticky solid which will not be distorted by reasonable pressure exerted upon it. The film has increased in weight. It is quite resistant to heat and moisture. Spirit varnishes such as those made with shellac are of a different type. The alcohol or other 'spirit,' holding the shellac in solution, simply evaporates,

leaving a film of shellac. These films are quite brittle, are not very resistant to water, and are not used to any great extent in finishing good furniture.

"The oxidizing oil varnishes are used almost universally. The gums may be soft or hard. The oils used may be fast

or slow drying and may produce softer or harder final films.

"The choice of materials of the coatings is entirely in the hands of the manufacturer and entirely uncontrolled by the warehouseman and shipper of finished furniture.



*Copyright by the author.

†No longer in existence.

Coating Application

"2. *The Method of Applying the Coatings.*—The preparation of the wood, or metal, surfaces for the first varnish coat is important, the softer woods requiring more filling to produce an even smooth surface. If the under coat or coats are not allowed to dry sufficiently, they are not apt further to dry or become more solid and firm after being sealed from the air by the final coat of varnish. The correct drying of the under coats is perhaps more important than that of the final coat, as the time is distinctly a limited one. Too heavy a coat also has the fault that the under portion of the coating cannot oxidize or dry as much as the outer surface. A finished film with a soft under portion is very readily imprinted.

"The times between coats and the final drying time while being finished is entirely in the hands of the manufacturer and entirely uncontrolled by the packer and shipper and storer of furniture coming into the hands of furniture warehousemen.

Age After Finishing

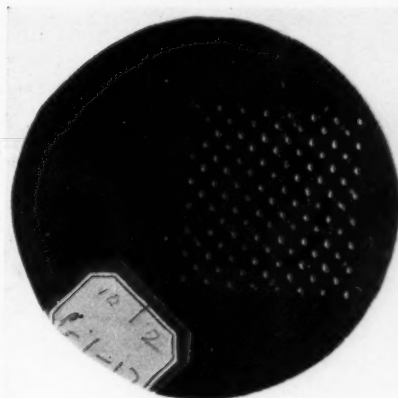
"3. *The Age of Coatings After Being Finished.*—Newly finished furniture usually is shipped to furniture dealers and seldom comes into the hands of household goods warehousemen. The furniture which they do pack, store and ship is generally older furniture which has well-seasoned finishes. The liability to imprint is therefore lessened, yet so much furniture is so hastily finished with cheap materials that the liability is not removed for the warehousemen. At any rate, the length of the time of seasoning of the finished coatings as compared with the correct length of time of aging of any particular type of finish is not under the control of the warehousemen.

"The three factors mentioned in the foregoing are therefore eliminated from further consideration in the study. The warehouseman takes the furniture as it comes, new or old, with finishes composed of good or bad ingredients and put on well or poorly.

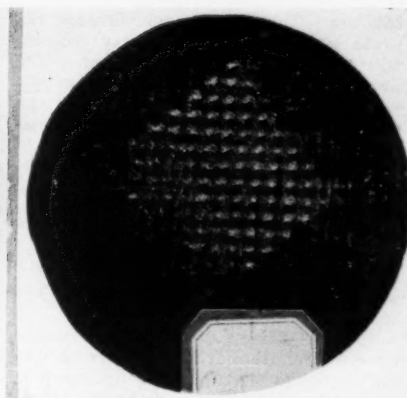
"He does have control of certain factors, however: (4) the type of paper in contact with the coating; (5) the type of pad behind the paper; and (6) the pressure on the pad. The seventh factor, the atmospheric conditions prevailing during the time the furniture is packed, is not under his control, but in a study of the causes and methods of lessening and preventing imprints, these four factors must all be considered.

Tests Conducted

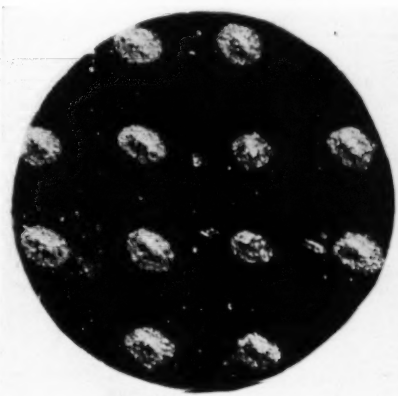
"OUR experience in conducting practical tests on commercial products of varied types has shown us that in order to get test results from which comparable methods of treatment may be judged, it is advisable to make preliminary tests under conditions extreme enough so that even under the best conditions we may get damage to some extent. If the conditions were not extreme and most of the tests showed no imprints, we could make no intelligent



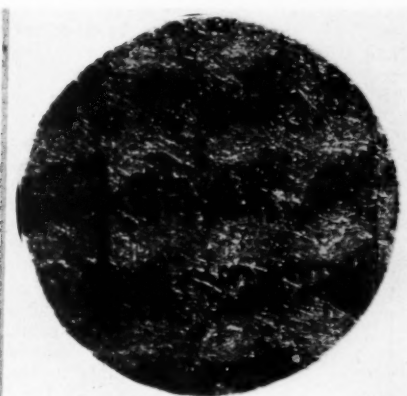
C-1-12.—One thin glazed paper.
In moist closet. 12-lb. weight.
($\times 1.6$)



C-5-12.—Three thin glazed paper.
In moist closet. 12-lb. weight.
($\times 1.6$)



C-1-12.—One thin glazed paper.
In moist closet. 12-lb. weight.
($\times 7$)



C-5-12.—Three thin glazed paper.
In moist closet. 12-lb. weight.
($\times 7$)

comparisons of treatments. Therefore the following set of tests was conducted:

"We chose a set of table leaves, all alike in wood, finish and condition. They were mahogany panels with varnish finish and were at least one and probably two years old. They were considered to be typical of well-seasoned coatings of the better class. The set up of each test is shown in the sketch. (Pages 29 and 30.)

"Upon the varnish coating was laid the paper. Upon the paper the wire screen, cut exactly one inch square. Upon the screen was placed the oak block, exactly one inch square, with true and parallel upper and lower surfaces. Upon the block was placed the weight.

"We used five types of paper, three different weights and four different atmospheric conditions. This made sixty tests in this series.

"Paper No. 1: Thin green, glazed, pad paper, sample of one used by the Security Storage Company of Washington. Glazed side next to varnish.

"Paper No. 2: Thin, manila-colored, glazed, pad paper from the same company. Glazed side next to varnish.

"Paper No. 3: Saxon Kraft Waxed (No. 3), manufactured by the Thilmany Pulp & Paper Co. Waxed one side only. Waxed side next to varnish.

"Paper No. 4: Brown, heavy, oiled paper called 'Dailyte,' from Daily Bros., Chicago.

"Paper No. 5: Three layers of No. 2. Each test of each of the foregoing papers was made using a weight of 1 lb., 4 lb., and 12 lb.

Each test of each paper under each weight was made under four atmospheric conditions:

"A: Air dry, at room temperature, in the light.

"B: Air dry, at room temperature, in the dark.

"C: At room temperature in a moist closet where the air was constantly full of moisture.

"D: In a cold storage room at the Security Storage Company's warehouse. The temperature ran from 25 deg. to 45 deg. Fahr. The humidity was low.

"These tests were made in Washington, D. C., were begun on July 25 and 26, and all continued quietly during the summer and were removed from test after seventy days (Oct. 3-4). The official records of the Weather Bureau in Washington show that during the period of test the average mean maximum temperature was 79.4 deg. Fahr., the average mean minimum was 59.6 deg., and the mean average daily temperature was

59.5 deg. This average temperature was probably a few degrees lower indoors, where the tests were conducted. The average mean daily relative humidity was 71.1 per cent. It is seen that the temperatures and humidities were relatively high for the A, B and C tests.

"The wire screens were uniform, and conclusions may be drawn which would not have been warranted if excelsior or other material had been used which might have had harder or softer or larger or smaller fibers in between the weights and the paper lying upon the coatings.

"Several things were at once noticed upon examination of the panels after the tests. Some imprint was produced in every one of the A, B and C atmospheric conditions. No imprints at all were shown in the (D) cold storage tests even with the heavier weights. The heavier the weight the deeper was the imprint. Also that with the same weight those in the moist atmosphere averaged deeper and wider imprints than those in the room conditions.

Quantitative Figures

"IN order to get quantitative figures for comparison, two members of the staff who were accustomed to such work marked each test result for depth and for width of imprint. A deep imprint is more difficult to repair. For depth, the ratings were from 0, no print, to 10, the deepest. Shallow, wide imprints are easier to remove. For width, the ratings were from 0, no imprint, to 5, the widest imprint. The detailed ratings are shown in the table to the right. (Sums are in parenthesis.)

"We may now make certain comparisons.

"First.—Comparison of weights. In all cases increased weight made deeper imprints. Compare the sums of the depth ratings:

	1 Lb.	4 Lbs.	12 Lbs.
"Air dry, light....	9	19	34
"Air dry, dark....	11	19	34
"Moist closet.....	13	26	38

"Increasing the weight, however, does not make wider imprints. Compare the sums of the width ratings:

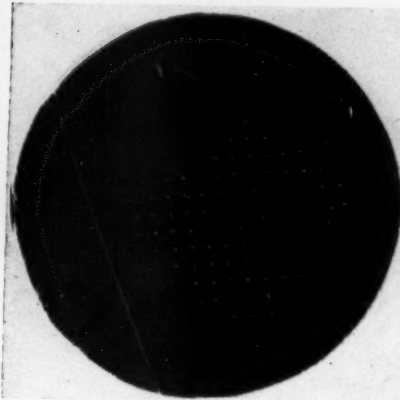
	1 Lb.	4 Lbs.	12 Lbs.
"Air dry, light....	10	11	11
"Air dry, dark....	11	11	11
"Moist closet.....	16	16	16

Atmospheric Conditions

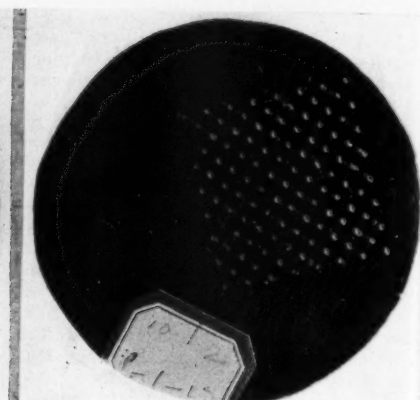
"Second.—Comparison of atmospheric conditions. In cold storage conditions there were no imprints at all. In the moist closet there were both the deepest and widest imprints. There was practically no differences, on the average, between those at room temperatures in light and in darkness. Compare the sums of the ratings as shown above and also compare the sums of the depth plus the width ratings:

	1 Lb.	4 Lbs.	12 Lbs.
"Air dry, light....	19	30	45
"Air dry, dark....	22	30	45
"Moist closet.....	29	42	54
"Cold storage.....	0	0	0

"Third.—Comparison of papers placed next to the coatings. This table of sums of ratings will assist in making the results clearer. (Table to right.)

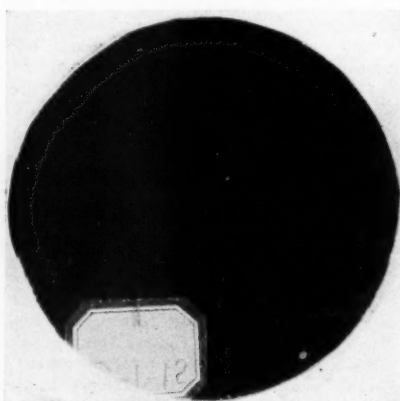


A-1-12.—In air. One thin glazed paper. 12-lb. weight. (× 1.6)



C-1-12.—In moist closet. One thin glazed paper. 12-lb. weight. (× 1.6)

	1 Lb. Weight			14 Lb. Weight			12 Lb. Weight		
	Paper	Depth	Width	Depth	Width		Depth	Width	
"Air dry, in light....	A-1	2	1	4	1		8	1	
	A-2	2	1	5	1		8	1	
	A-3	2	2	3	2		7	2	
	A-4	2	3	4	3		6	3	
	A-5	1	3	3	4		5	4	
		(9)	(19)	(10)			(34)	(45)	(11)
"Air dry, dark.....	B-1	2	1	4	1		8	1	
	B-2	3	1	5	1		8	1	
	B-3	2	2	3	2		7	2	
	B-4	2	3	4	3		7	3	
	B-5	2	4	3	4		4	4	
		(11)	(22)	(11)			(34)	(45)	(11)
"Moist closet.....	C-1	3	2	7	2		10	2	
	C-2	3	2	7	2		10	2	
	C-3	2	3	4	3		6	3	
	C-4	3	4	5	4		8	4	
	C-5	2	5	3	5		4	5	
		(13)	(29)	(16)			(38)	(54)	(16)
"Cold storage.....	D-1	0	0	0	0		0	0	
	D-2	0	0	0	0		0	0	
	D-3	0	0	0	0		0	0	
	D-4	0	0	0	0		0	0	
	D-5	0	0	0	0		0	0	



D-1-12.—In cold storage. One thin glazed paper. 12-lb. weight. (× 1.6)

Some Findings

"INSPECTION shows that the two thin papers, Nos. 1 and 2, were about the same, but due to their thinness they allowed narrow, deep imprints to be made. These are the worst imprints in the series.

"The heavier waxed Saxon Kraft paper, No. 3, allowed an imprint to be made which was of medium depth and medium width. It gave results a little better than the heavy oiled paper, No. 4, the latter allowing imprints both deeper and wider.

"The three layers of thin paper, No. 5, in the series, allowed the screen to give the widest imprint, but it gave the shallowest impressions and was distinctly the best of the series. The hard, tough No. 3 was second best.

"It appears from these extreme tests

	1 Lb.	4 Lbs.	12 Lbs.	
"Sum of depth ratings, Paper No. 1.....	7	15	26	(48) deep
"Sum of depth ratings, Paper No. 2.....	8	17	26	(51)
"Sum of depth ratings, Paper No. 3.....	6	10	20	(36)
"Sum of depth ratings, Paper No. 4.....	7	13	21	(41)
"Sum of depth ratings, Paper No. 5.....	5	9	13	(27) shallow
"Sum of depth ratings, Paper No. 1.....	4	4	4	(12) narrow
"Sum of depth ratings, Paper No. 2.....	4	4	4	(12)
"Sum of depth ratings, Paper No. 3.....	7	7	7	(21)
"Sum of depth ratings, Paper No. 4.....	10	10	10	(30)
"Sum of depth ratings, Paper No. 5.....	12	13	13	(38) wide

with wire screen that a set of several hard, thin papers or a single thicker, hard, tough paper spreads the pressure over a greater surface of coating so that if an imprint is made it is shallow and more easily repaired. A thick paper, softened by oil, does not spread the pressure so much and it allows the formation of deeper imprints. A thin, hard paper is still worse because it cannot spread the pressure so much.

"So far as imprint due to pressure is concerned, the waxing of paper does not seem to be as advantageous as the use of glazed paper. Wax is softer than glazing. The paper evidently needs to be smooth, hard, and thick enough and tough enough to spread any local pressure that may happen to come upon it.

"A smooth surfaced, hard, thick, tough paper is less liable to allow imprints to appear. And more than one such paper is still better.

"So much for the paper next to the varnish coating.

Pad Material Tests

"THE tests of pad material behind the paper was next taken up. The same table-leaf panels were used.

"The two pieces of twine were harder twine than that ordinarily used in wrapping pads. It was selected to get more local pressure.

"We used four pads:

"1. A cotton pad furnished by the Security Storage Company, covered with one layer of green, glazed, thin paper (Paper No. 1).

"2. A waste felt commercial pad, covered with one layer of brown, glazed, thin paper (like Paper No. 2).

"3. An excelsior commercial pad, covered with one layer of paper like No. 2.

"4. A waste felt commercial pad thinner than No. 2 sent from the Brooklyn Warehouse Company, covered with one layer of brown paper like No. 2.

"We used three types of tests of paper:

"A. Pad only, with its single thin, hard paper.

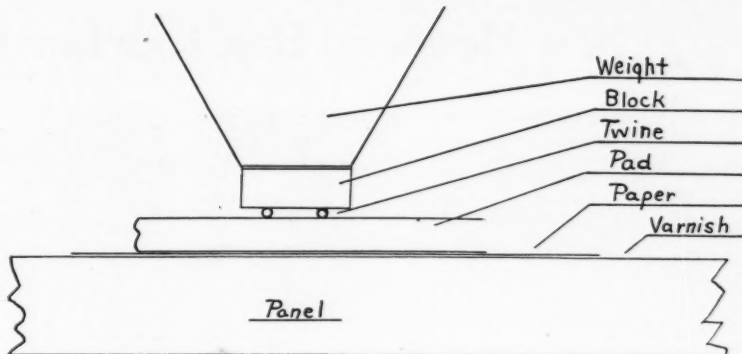
"B. Pad with the thin, hard paper cut out and replaced (on the side next the varnish) by a single sheet of hard, waxed, Saxon Kraft.

"C. The pad, as is, like A, but with a single sheet of the hard, waxed, Saxon Kraft placed between the coating and the paper of the pad.

"All these tests were conducted under ordinary room conditions and 12-lb. weights were used on each block and pad. The tests ran twenty-two days during October.

"Very little effect upon the surface of the coatings was obtained in this series of tests and there was no definite imprint. In some cases the gloss on the coating was removed slightly and the wax from Kraft paper appeared to have dulled the coating slightly in most cases when it was used. This could be rubbed off by a dry cloth. The amount of this dulling of the finish, however, allowed us to divide the results into four classes:

"Class 1, no dulling finish.



"Class 2, the faintest trace of dulling.

"Class 3, a faint trace of dulling.

"Class 4, a trace of dulling.

"The results of the inspection were that:

"The three excelsior pads are in 1 and 2 classes.

"The three cotton pads are in 1 and 4 classes.

"The three waste felt pads are in 2 and 3 classes.

"The three thin waste felt pads are in 3 and 4 classes.

Excelsior vs. Cotton

"THE whole set were so good that as to differences between pad filling materials even in these cases where 12-lb. pressures were exerted upon two 1-in. lengths of hard twine through the pads. Yet we can conclude that excelsior pads are shown to be at least as good as cotton or waste felt pads, under the conditions of the tests. This is to be expected, for excelsior has considerable firmness and it makes a pad so soft as the other filling materials, and our previous tests indicate that too soft a material would allow a narrow edge of pressure to pass through to the coating while a firmer pad would distribute the pressure.

"No jute pads were on hand for these tests. A jute pad, however, is somewhat firmer than a cotton or waste felt pad. Its fibers are evidently more nearly alike than are the wood fibers of the excelsior. The indications are that the use of a jute pad would allow fewer small points of pressure to pass through to the paper than cotton or waste felt pads, and the jute pads being more uniform probably will distribute the pressure more evenly than an excelsior pad.

"It is considered that a 12-lb. weight applied as in these tests would give as much localized pressure as ever occurs in the practical use of pads on furniture. If, under these pressures, no imprint with any visible depth is produced while standing quiet, the only ways in which an imprint can be produced on well-seasoned varnish coatings is either that:

"1. The temperatures run higher than those of a Washington summer.

"2. The packing was loose and allowed sudden jars to temporarily increase the pressure in local spots.

"3. The atmosphere, at the film sur-

face, contained more moisture than the usual average for the rather moist Washington summer air.

"The effect of moisture is disastrous even with well-seasoned varnish coatings. A paper next the coating which absorbs moisture, due to presence in it of any hygroscopic chemicals, would be ruinous. A wet pad would surely cause trouble. The excelsior or other pad filling material must be as dry as possible. Wetting of excelsior to cut down dust during the making of the pads should be completely barred.

Conclusions

"WAREHOUSEMEN and storage packers of furniture have no control over:

"The nature of the varnish coating materials.

"The methods of applying the coatings.

"The age of the coatings after being finished.

"The atmospheric conditions while the furniture is packed.

"Warehousemen and storage packers can control:

"The type of paper in contact with the coatings.

"The type of pad behind the paper.

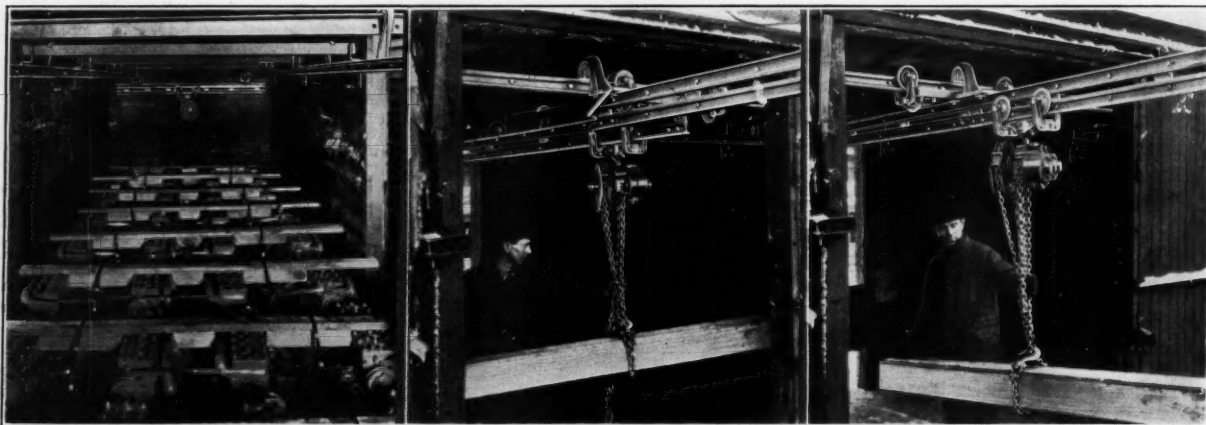
"The pressures on the pad.

"This study leads to the conclusions that the paper should be heavy, hard, glazed, tough and dry. Double papers next the varnish would better spread the local pressures. The pad should be thick enough to distribute the maximum pressures. Excelsior pads as commercially used with proper under paper are probably as good or better than cotton or waste felt pads. Jute pads may possibly be even better. The pad and paper must be very dry and this is important. The pads should be so tied and the furniture so packed that there is no movement of the pad and paper on the coating and as little as possible motion of the weight on the pad.

"If these conditions are complied with, this study has shown that the packer has reduced the controllable causes of pad imprints to a minimum and that good, well-finished furniture should not print. If imprints occur, their cause should be sought for in conditions of the varnish coating itself, over which he has no control.

(Chapter XVIII to be concluded in the August issue)

New Monorail Box Car Loader Developed



Left—Interior of box car loaded with motors at plant of Continental Motors Corp., Muskegon, Mich. Center—Box car loading crane latched in connection with loading platform monorail runway; the trolley is just passing from the outside monorail on to the crane bridge. Right—Box car crane unlatched from the loading platform monorail and passing to end of car to deposit its load

THE accompanying illustrations show a new development in monorail conveying equipment which is stated to be effecting remarkable economies in loading and unloading materials from box cars. This loader makes all parts of box car accessible with loaded trolley coming from production department or loading platform.

Hitherto the principle limitations of using monorail for this work have been that it was necessary to stop at the car door and that it was not possible to unload directly from the monorail into any part of the car.

With this loader the loaded trolley can be brought from production departments or loading platforms and the load deposited at any point on the floor of the box car. It is claimed this will greatly broaden the application of monorail conveying systems and that present installations can be extended to include the box car loader and add to savings effected.

The equipment shown, which is manufactured by The American MonoRail Co., Cleveland, can be fitted up in any box car in 15 minutes or less. Two men can assemble it ready for use and it can be dismantled and removed from the car in less than 5 min. No permanent extra fittings are required in the car and, as all parts of the equipment are suspended up near the car roof, they can readily be removed from loaded as well as empty cars.

To prepare the box car to receive the unloader, a series of steel brackets, with an offset bend toward the upper end and provided with slotted holes at the lower end, are nailed up along the sides of the interior of the car. Into the upper slots of these brackets are slipped a series of transverse stringers which in turn support the hangers carrying the runway rails for the crane bridge to run on.

The loader itself consists of a short transfer crane assembly operating on

two parallel lines of crane runway extending the full length of the car. The crane bridge is carried by special designed trolleys which carry the bridge high-up between the runway rails, thus obtaining maximum headroom clearance.

The standard unloader equipment is constructed to be adjustable for cars from 36 to 40 feet in length and the stringers supporting the crane runways are adjustable to correspond to different widths. All parts of the unit are of a size to be readily handled and the work of setting up and removing is easily accomplished.

The box car being spotted on the projecting end of the loading platform monorail system, the crane bridge is moved to the car door and placed in alignment with it and latched into place. The loaded trolley is then run onto the crane bridge, the latch is released, and the load is moved to the desired point in the car. The releasing of the latch automatically places a safety stop at the free

end of the loading platform monorail to prevent the possibility of any following trolley from running off the track.

This box car loader has a capacity of 4000 pounds, and is made entirely out of steel shapes, steel rails, and steel brackets, and these will withstand dropping on the car floor and almost any amount of hard usage without being damaged.

To dismantle the unloader and make ready for the next car job, the crane is removed and the supporting stringers lifted out of the side brackets. The brackets, that are nailed to the side of the car, through keyhole sockets, are then disengaged and removed, the nails being the only things that are left in the car.

The American MonoRail unloader is one of ten units supplied to the Continental Motors Corporation, Muskegon, Mich., and the makers state that the Continental company has materially reduced the labor and expense of handling heavy automobile engines into box cars.

New Philadelphia Terminal

The first two units of the Pennsylvania Railroad's new produce terminal, in the southern part of Philadelphia, were scheduled to be ready for business by July 1. The remainder of the plant will be pushed to completion as rapidly as circumstances permit.

The plans as originally drawn have been enlarged and the scope of the entire project extended, with the result that Philadelphia commerce is assured the benefit of having what is announced by the company as "the most modern and most completely equipped, as well as the largest, railroad terminal in the world devoted exclusively to the fruit and vegetable trade."

The site of the terminal is a 41-acre tract lying between Delaware and Van-

dalia Avenues and Packer and Pattison Avenues. The plant will embrace three structures, each 800 x 110 feet, to be known respectively as Buildings A, B and C. Building A will be two stories high at the Oregon Avenue end, the lower floor, fully heated, serving for the unloading of freight, while the second floor will contain offices and two auction rooms. Building B will be a duplicate of Building A. Building C will be identical with the others except that on the Oregon Avenue end a large-capacity cold storage plant will be erected, 250 feet long by 110 feet wide and eight stories high. Foundations will be laid and arrangements perfected to build up the remainder of Building C to a height of eight stories for cold storage purposes.

WHAT'S WHAT IN NEW BUILDINGS

109

White Transfer & Storage Co.,

Pittsburgh

THE White Transfer & Storage Co., Pittsburgh, recently opened its new warehouse—a four-story building entirely of concrete, brick and steel and as nearly fireproof as modern ingenuity can conceive. The structure is located at 2740 West Liberty Avenue, Dormont, in the heart of one of the city's most flourishing sections. It is the largest construction of its type in the South Hills district.

The basement contains the heating plant, storage rooms for packing material and a large shower bath and lavatory for employees, and provides also ample storage space.

The first floor contains a spacious lobby, the company's offices, a piano room, a receiving platform and a retiring room for lady customers. The offices, occupying one-third of this floor, has an art metal counter, concrete floor, Travertine walls and two large plate glass windows. The offices of the president and the secretary are set apart from the general offices. The piano room is used for storing pianos, clocks and works of art and other delicate and valuable articles subject to damage by excessive changes in temperature.

The receiving platform, in the rear of the building, receives and delivers goods. It has space for four vans at one time. Entrance to it is by two wide driveways, averting unnecessary delay.

The packing room is utilized for packing of furniture and miscellaneous goods and preparing them for shipment.

The second floor contains fireproof storage rooms

variously holding half-van, one-van and two-van load lots.

The third floor contains, besides ample storage space, a well-sized trunk and rug room.

The fourth floor is given over entirely to open storage space, to be reserved for subsequent subdivisions.

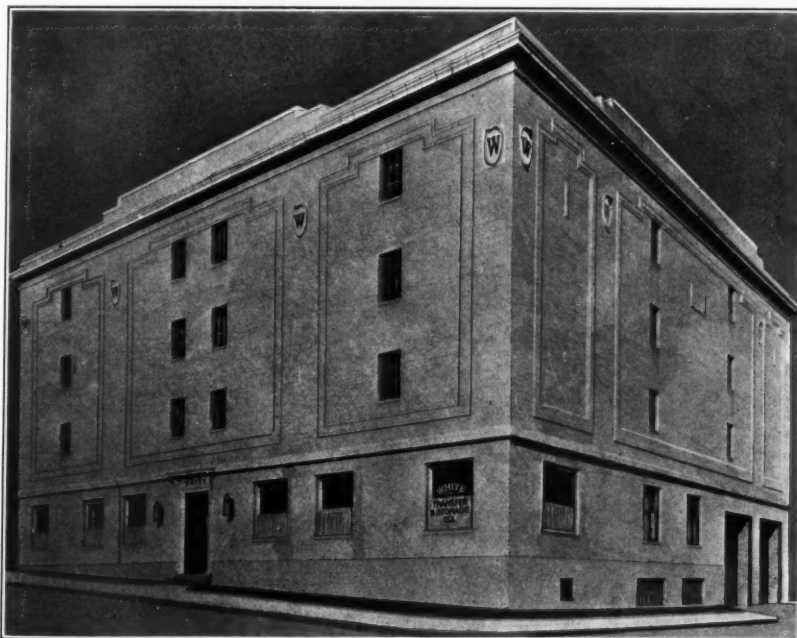
A large freight elevator runs through the center of the building. This is equipped with double entrances to all floors, enabling employees to load and

unload with care and speed. A large staircase at the rear of the warehouse provides for immediate exit in case of any danger.

The front and one side of the building are finished off with white brick tapering off with terra cotta at the top. The company's shield is conspicuous at various points around the top of the structure.

A large garage is being

erected at the rear of the building to provide for the firm's motor equipment.



Answers to Questions on "Two Bits" Page

1. Charles S. Morris, the Gotham storager, while prexy of the N. F. W. A.
2. All storagers in So. California.
3. All storagers in So. California.
4. Sid Green, the Petersburg, Va. storager.
5. 1 mashie niblick, 1 putter, also 1 good jigger.
6. Buttermilk.
7. Sid Smith, the Chicago storager.
8. Reputed to be G. J. Hansen, the Milwaukee storager.
9. Modesty forbids Ye Ed. of Two Bits to answer this one.
10. None.

Our new Vol. VIII be-
gins with this issue—

Vol. VIII. No. 1

TWO BITS

A Bit Here, A Bit There

—unless the P.O. Dept.
injunction vs. us.

Gotham, July, 1927

Our Moth Dept.

THE trio of gum-shoe moths—Bisel-liela, Pellionella and Tapetzella—that *Two Bits* retained at an expensive fee, some mos. ago, to find out for us where the National Association for the Protection of Moths in Storage is to hold its convention, has not made any headway to speak of. It is unfortunate that we have got to make an adverse report of this kind on the eve of the N. F. W. A. meeting at Mackinac Isl., & we are a bit discouraged at Liela, Nella & Zella, but we are going to give those 3 detective-ladies further opportunity to learn definitely when & where the N. A. P. M. S. delegates are going to assemble.

It seems that Liela slipped & fell into a bottle of paradichlorobenzene & got overcome by the fumes. Personally we suspect that it was a bottle of Gordon Water that Liela slipped and fell into, but Nella & Zella joined with Liela in signing an affidavit that it was a bottle of paradichlorobenzene. We argued with the ladies that they should swear it was a bottle of camphor, on a/c camphor is easier for *Two Bits'* printers to set up in type than a bottle of paradichlorobenzene, but they insisted it was a bottle of paradichlorobenzene, so a bottle of paradichlorobenzene is what they swore to.

Thus all storagers will recognize that our inquiry to find out where the N. A. P. M. S. is going to meet is getting to be a bit expensive. *Two Bits'* printers charge us on the hourly basis, with time and a ½ for overtime work, and when they have to set up a bottle of paradichlorobenzene a no. of times, as they are herewith compelled to do just because Liela, Nella & Zella say that it was a bottle of paradichlorobenzene that Liela slipped & fell into, they charge us just so much more. Paradichlorobenzene costs money!

Well, granting that it was a bottle of paradichlorobenzene that Liela slipped & fell into, the result was that the fumes of the paradichlorobenzene overcame Liela, as the submitted affidavit nar-rates, & she had to be rescued by Nella & Zella. Liela's wings got so thoroughly immersed in the paradichlorobenzene that it was weeks & weeks before they got dried out again so she could resume flying. It was on that a/c that the delay occurred in the 3 detective-ladies' gum-shoeing to find out where the N. A. P. M. S. convention is to be held.

Meanwhile it has become evident that Liela, Nella & Zella are up vs. an unexpected handicap in the form of opposition from the Nat'l Furniture Storagers' Assoc'n—the very organiz'n whose un-qualified support Ye Ed. had anticipated getting. But that is the way with all

reform movements. Here we have gone to enormous expense, includ'g the fee paid to Liela, Nella & Zella plus also the cost of setting up a bottle of paradichlorobenzene by our printers so many times—only to learn with immense chagrin that the N. F. S. A., instead of advancing its moral, if any, support, is seeking to have the moths hold local meetings. For in the June issue of *The Furniture Warehouseman*, the N. F.

Answer Us These Ones

THIS is the 1st, or initial, issue of Vol. VIII of *Two Bits*, & it opens crudely enough with the shameful confession that no longer—tho we have battled bitterly vs. it—are we able to withstand the innocuous influence of the "Ask Us Another" craze which has swept across Gotham and the U.S.A. Accordingly we are setting down herewith 10 snappy questions which we challenge any intellectually-inclined storager to give the correct replies to same. If you are interested in knowing the answers, you will turn to page 33. If, after you have read the answers, you consider that your education has been somewhat radically advanced, write us a serious thesis about it & if same does not appear in a later, or subsequent, issue of *Two Bits* you may be assured that it has been thrown into the waste-basket where it belongs, well anyhow, here are the 10 studiously-prepared queries:

1. What ex-prexy of a nat'l storagers' assoc'n became more or less famous for his convention-time slogan: "Gentlemen, we will now come to order!"?
2. What California storagers, orating at conventions in the East, boast about their sunshine, azure skies, snow-capped mountains, elegant scenery, blue waters and topaz-tinted whatchamacallits?
3. What California storagers insistently, persistently and consistently refuse, in convention orating, to admit that it ever rains in So. California?
4. What storager has donated the largest no. of golfing utensils to Ye Ed. of *Two Bits*?
5. What golfing utensils are thus far missing from our personal set of same as thus far contributed by generous-hearted storagers?
6. What intoxicating drink enabled Ye Ed. to become notorious at 1 of the Mackinac Isl. conventions of the N. F. W. A.?
7. What storager tells more Scotch stories—and how!—than any other man in the industry?
8. Who is the champion bridge player in the storagers' industry?
9. Who is the industry's unluckiest "red dog" player en route to storagers' conventions?
10. How many storagers got their own pants delivered back to them after sending them to the valet at the Bigwin Isl. convention?

S. A. public'n, we was somewhat astonished to read that the N. F. S. A. members "are endeavoring to keep the local associations for protection of moths in storage from cooperating with the national organization, as it is felt that more can be accomplished by local meetings in Haskelite vaults for annual fumigation outings than by a national convention." Also:

"Prizes, such as strips of felt, curled hair, upholstered furniture and undyed fur, will be given to the associations showing the largest attendance at local outings, and the moth who attends a second outing will be given the finest wool casket money can buy."

We called a meeting of Liela, Nella & Zella & read all that aloud to them, & it was their unanimous opinion that the N. F. S. A. would not be successful in confining moths' meetings to local vault gatherings.

"The National Association for the Protection of Moths in Storage," said Nella, meditatively chewing a hole in Ye Ed.'s red necktie, "is intensively organized, & a nat'l convention will be held. You can safely assure all storagers that such is so."

"That N. F. S. A. plan is an anti-moth plot!" Zella explained, biting a runner in Ye Ed.'s left sock. "It's a scheme to get local assoc'n members into vaults so they can be exterminated by storagers."

"Right you are, Zella," said Liela, depositing a larva on the brim of Ye Ed.'s new straw hat, "& wait till the executive-committee of the N. A. P. M. S. hears about it! Oh, the storagers will suffer for this!"

We had forgot to mention heretofore that Liela is married.

"Well, girls," said Ye Ed., speaking that way on a/c we know them pretty well by this time, "it is a serious situation & will somewhat need solving. You should circulate around among the local assoc'n members & warn them about the plot & argue vs. local vault meetings & outings. Meanwhile keep up your gum-shoeing & see if you can find out when the nat'l convention is to be held, also where. If you do that, maybe we will hire you to cover the convention for *Two Bits* & thus add to your salary."

"Goody! Goody!" chorused the 3 detective-ladies.

"Goody, hell!" said Ye Ed. "Not while you chew holes in our personal clothing it ain't goody. Chew storagers' raiment all you want to, but lay off editors!"

It was a fitting rebuke, & Liela, Nella & Zella was considerably chastened.

So Ye Ed. is going to send a bill to the N. F. S. A. for a new red tie, a new left sock & a new straw hat.

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Please Send Payment With All Orders

Our Golf Dept.

YE Ed. of *Two Bits* has just taken out a new accident insurance policy with the Travelers Insurance Co. especially on a/c we are going to enter the N. F. W. A. golfing tournament at Mackinac Isl. this mo. (July). It covers forms of injury inclusive of:

1. Lightning shock if under tree during shower.

2. Splinters from golfing utensils we are liable to bust vs. rocks.

3. Bites from ferocious insects.

Corkscrews Dangerous, Too

4. Collisions with inanimate objects, such as fellow golfing players.

5. Falls over objects, inclusive of our own golfing utensils or feet.

6. Poisons from shrubs in the areas to which we generally slice the ball.

7. The 19th hole; i. e., cuts from sharp instruments, such as buttermilk-holders.

We essayed to get the Travelers to cover us vs. injuries sustained in fights with caddies while searching for balls lost by other golfing players but the co. told us firmly that that risk was too hazardous to entertain.

Nor would the co. cover us vs. a weak heart caused by others' cuss words.

Canada's Warehousemen Stage Their Ninth Annual Convention

*Subjects Discussed at Winnipeg Gathering Include Rates, Van
Standardization, Railroad Policy, Advertising and
Long Distance Hauling*

By KENT B. STILES

THE Canadian Storage and Transfermen's Association, comprising approximately sixty merchandise, household goods and cold storage companies and cartage and forwarding firms in more than twenty cities and towns of the Dominion, held its ninth annual convention on June 16, 17 and 18 at the Marlborough Hotel in Winnipeg, Manitoba. The attendance was relatively small because of the great distances to be traveled, but constructive steps taken made up for this. Following are the features of what took place:

1. Tariff No. 9 of the Illinois Association of Warehousemen was adopted as the Canadian warehousemen's official rate guide, in place of the tariff, favored two years ago, of the former Central Warehousemen's Club.

2. Specific rates were recommended to be charged on cartage of L. C. L. shipments from pool cars, the rates to be higher when consignees pick up the goods and thus deprive the warehousemen of this business.

3. It was voted to seek to establish Dominion-wide uniformity of the hour of closing railroad sheds.

4. Six hundred cubic feet was adopted as the standard size of household goods motor trucks, horse-drawn vehicles and lift vans, with the members to charge pro-

portionately when vehicles of larger or smaller size are used.

5. The association decided to retain within its membership cartage companies and forwarders even though they do not operate warehouses. This was the delegates' reaction to a suggested plan for relegating such companies to associate membership and changing the association's name to "Canadian Warehousemen's Association." The organization's present name was continued.

The delegates retained in office as president C. F. Basil Tippet, president of Howell Warehouses, Ltd., Toronto, Ontario. This is Mr. Tippet's second successive term. The other officers also were reelected.

A number of representatives of the public storage industry in the United States attended the convention, including J. Edgar Lee, Chicago, president of the American Warehousemen's Association; Harry Kedney, of the Kedney Warehouse Co., Inc., Minneapolis; Homer E. Dixon, manager of the Grand Forks, N. D., plant of the Kedney firm, and Andrew K. Murray, New York, business manager of *Distribution and Warehousing*.

Here is a detailed account of what took place at the Winnipeg meeting:

ALDERMAN LEACH of Winnipeg, opening the convention with a talk on behalf of Mayor Webb, stressed warehousing's importance by asking the delegates to visualize what it would mean "if the community were suddenly deprived of the services which you men offer." Fred Crone, Vancouver, responding, said Canadians appreciated Winnipeg from the viewpoint of its strategic position as a distribution point.

In his report as president Mr. Tippet said he learned, on his tour of the Dominion during the year, that warehousing had experienced strenuous times. "Competition," he asserted, "has been keener than ever in every department, for with the flurry of new business offered we have all been tempted, and some have yielded, to the lowering of our charges for definite services rendered."

While education of the public regarding the industry was something essential, the president declared, there was even greater need for self-education among warehousemen. "This is reflected," he

C. F. Basil Tippet



Reelected president of Canadian
Storage and Transfermen's Association

said, "in the dissimilarity or absence of cost systems everywhere; also it is shown by the absence of any accepted basis for tariffs across Canada." He continued:

"This year has been marked, especially in the East, by the opening for business of new warehouses by promoters with money raised other than locally. With such large areas requiring to be filled and such huge investments requiring returns, practices previously frowned upon have been adopted to draw accounts from established warehouses. We are well advised to consider seriously the actual cost of such practices before adopting them under the strain of excessive competition.

"Truck legislation is a very live question throughout Canada today and every member is reminded to keep well posted upon his Provincial laws."

Reporting as secretary, E. A. Quigley, Vancouver, said the association had had a satisfactory year and that the members were more and more recognizing the organization's importance. He called

The Elections:

AT the Winnipeg convention the Canadian Storage and Transporters' Association reelected officers as follows:

President, C. F. Basil Tippet, president Howell Warehouses, Ltd., Toronto.

First vice-president, George H. Chadwick, secretary Manitoba Cartage & Warehousing Co., Ltd., Winnipeg.

Second vice-president, Alex. Fleming, general agent Terminal Warehousing Co., Ltd., Montreal.

Treasurer, J. O. MacCallum, manager Saskatoon Cartage & Warehouse Co., Saskatoon.

(E. A. Quigley, Vancouver, continues as secretary.)

Directors were chosen as follows:

Alberta—Fred Johnston, president Cartage & Storage Co., Ltd., Calgary; R. V. MacCosham, president MacCosham Storage & Distributing Co., Edmonton.

British Columbia—Fred D. Gross, president Vancouver Warehouses, Ltd., president Campbell's Security Fireproof Storage & Moving Co., Ltd., and president Mainland Ice & Cold Storage Co., Ltd., Vancouver; Fred Crone, president Crone Storage Co., Ltd., Vancouver.

Manitoba—P. G. Dennison, vice-president National Cartage & Storage, Ltd., Winnipeg; C. G. McKeag, treasurer Union Storage & Transfer, Ltd., Winnipeg.

Ontario—William Pickard, treasurer W. J. Pickard, Ltd., Toronto; Rowland M. Hill, president Hill, the Mover, Hamilton.

Quebec—J. M. Baillargeon, president J. B. Baillargeon Express, Ltd., Montreal; W. J. Langton, Dominion Transport Co., Ltd., Montreal.

Saskatchewan—T. A. Smeed, president Smeed's Security Storage, Ltd., Regina; H. France, Moose Jaw Cartage Co., Ltd., Moose Jaw.

attention to the questionnaire distributed to the members regarding rates and practices, and stated he had compiled a list of Canadian distributors and manufacturers using warehouses. Mr. Quigley also paid a tribute to *Distribution and Warehousing* and other journals for publishing news regarding the association's activities. Subsequently the secretary announced the election of the following companies to membership:

Bullas Storage Warehouse, Kitchener, Ont. J. W. Bullas is president.

Canadian Rail & Harbour Terminals, Ltd., Toronto. N. Kennedy is general manager.

Crann Storage Co., Ltd., Vancouver, B. C. J. A. Crann is president.

L. G. Fournier, Ltd., Ottawa, Ont. A. G. Fournier is president and W. J. Russell is secretary.

President Tippet appointed as the resolutions committee Alex. Fleming, Montreal, chairman; Fred Crone, Vancouver, and Hugh Mackenzie, Winnipeg.

Twelve men were nominated for positions on the nominating committee and the voting resulted in the election of Elmer Johnston, Vancouver; George H. McKeag, Winnipeg; George Chadwick, Winnipeg; H. A. Knight, Regina, and Herbert Ganton.

Telegrams of greetings were read from the Furniture Warehousemen & Removers' Association of Great Britain and Ralph J. Wood, Chicago, secretary of the National Furniture Warehousemen's Association.

Mr. Tippet presented for the delegates' consideration a suggested plan of reorganization of the association. Under this plan, had it gone through, the various local associations would have been made branches of the Dominion-wide organization under a new name—the Canadian Warehousemen's Association—and all the cartage and forwarding companies not actually operating warehouses would have been made associate, instead of active, members. The plan provided for creating five divisions—Pacific, Prairie, Ontario, Quebec, and Maritime—the five comprising the

national body with the locals in each designated territory being members of the divisional units. Mr. Tippet presented the following approximate figures:

	In Twelve Months			—Prospects—	
	In All Canada	Large Centres	Members	12 where in Canada	Elsewhere
Cartage	50	6	...	...	...
Cold Storage	11	1	...	...	...
Merchandise	30	32	15	...	...
Furniture	120	35	90	125	...
Total	400	211	74	105	125

Canada More Prosperous

BUSINESS throughout Canada is at a higher level than last year, says a summary issued late in June by the Bank of Montreal. One indication, it is declared, is an increase of more than \$80,000,000 in deposits in Canadian banks. Another is a gain of \$50,000,000 in foreign trade in the two elapsed months of the Dominion's fiscal year, imports having risen nearly \$15,000,000 and exports \$35,000,000.

More currency is in circulation than at this time last year, the bank reports, and commercial loans by banks are up 15 per cent.

Railways are moving more merchandise, it is declared, and the lumber trade, long sluggish, has revived. Building operations are extensive and the newsprint industry maintains its volume of output.

The idea created animated discussion, both favorable and adverse, and finally Mr. Crone moved that a committee be appointed by Mr. Tippet to consider the plan and present recommendations later during the convention. The president appointed as this committee Mr. Crone and F. D. Gross, Vancouver; Fred Johnston, Calgary; George H. McKeag, Winnipeg; Alex. Fleming, Montreal; W. H. Langton, Montreal; Elmer Johns-

ton, Vancouver; George H. Chadwick, Winnipeg and W. Pickard, Toronto, with Mr. Tippet serving also.

J. Edgar Lee, Chicago, president of the American Warehousemen's Association, sat in with the committee, which on the final day of the convention reported, through Mr. Gross, that its decision had been against dropping cartage men and forwarders to associate membership and in favor of retaining the association's present name for at least another year.

Divisional Meetings

AFTER the first general session the delegates held divisional discussions—the merchandise men on the afternoon of the 16th, and the cartage and the household goods men on the 17th.

Alex. Fleming presided at the merchandise meeting. R. V. MacCosham led discussion of "Tariffs and Their Use" and recalled that two years ago the association had adopted the rate guide which the old Central Warehousemen's Club, in the central West of the United States, was using. He said that lower rates were developing, without reason, in some parts of Canada. Mr. Fleming thought that as the association grew stronger some such thing as a standard rate guide might be developed for the Canadians—a base rate for the Dominion.

Discussion indicated the value of knowing costs. Harry Kedney, Minneapolis, explained the Minnesota system of loading and unloading. Mr. MacCosham suggested that a committee be appointed to consider the problem of preparing a tariff. General opinion was against a suggestion that warehousemen file their tariffs with the Provincial authorities. Mr. Gross urged the Canadians to take advantage of what had been accomplished in tariff construction in the United States. Mr. Fleming emphasized the value of making use of the A. W. A. Encyclopedia.

Mr. MacCosham's motion for a committee was adopted, and Mr. Fleming appointed Mr. MacCosham, Hugh Mac-



At the Winnipeg convention. Left—J. W. McTaggard, Edmonton; Garfield McKeag, Winnipeg; C. H. Taylor, secretary Winnipeg Transfer and Storage Association; C. F. Basil Tippet, Toronto, reelected president Canadian association. Center—Miss Fleming, Glasgow; Mrs. George H. McKeag, Winnipeg; Mrs. C. F. Basil Tippet, Toronto; Mrs. T. Kinnaird, Medicine Hat; Mrs. Alex. Fleming, Montreal; Mrs. C. H. Taylor, Winnipeg. Right—Fred Johnston, Calgary; Alex. Fleming, Montreal; E. O. Wallace, Calgary; J. M. Bullas, Kitchener; George H. McKeag, Winnipeg; T. Kinnaird, Medicine Hat—and some copies of DISTRIBUTION AND WAREHOUSING

kenzie, W. Pickard and J. O. MacCollam, with himself serving on the committee. At the general session on the following day the association, on the committee's recommendation, adopted Tariff No. 9 of the Illinois Association of Warehousemen as the Canadians' official guide.

Following a talk on "Insurance for Warehousemen" by Ralph J. Oneil, Calgary, the delegates discussed the advertising of "free insurance" by certain warehouse companies and the consensus of opinion was against the practice.

"Development of New Services" was discussed by Elmer Johnston, who said this could be interpreted as "expansion of reformed business" as applied to the industry. Quoting from an article on hand-to-mouth buying by Melville B. Bowen, Chicago, in the May issue of *Distribution and Warehousing*, Mr. Johnston said warehousemen must familiarize themselves with this subject, and must have also knowledge of production, traffic and markets. The industry should try to standardize its charges for services, he added, as the public did not understand the prevailing differences.

Mr. Tippet urged the development of a standard warehouse receipt with terms and conditions on the reverse. He stated that the Toronto members had placed the A. W. A. receipt in use, with the terms and conditions slightly altered to conform to Canadian conditions, and that this had already saved the Toronto men money. Mr. Fleming believed the A. W. A. terms and conditions could be adopted by Canadian warehousemen.

R. V. MacCosham described as "one of the destructive elements in pool car distribution" the practice, on the part of some consignees, such as wholesale grocers, of picking up L. C. L. shipments from pool cars and thus depriving warehousemen of cartage charges. Discussion showed this to be a live problem in all the Canadian cities and of national importance.

It was moved by Mr. MacKenzie that a committee be created to bring in a recommendation at the general session on the following day, and Mr. Fleming appointed H. A. Knight, Regina, chairman; H. France, Moose Jaw; E. O. Wal-

lace, Calgary, and Mr. MacCosham and Mr. Crone.

The committee's report, when submitted, was adopted. It was that three cents a 100 lb. be charged by the warehouseman when delivering L. C. L. shipments from pool cars but that five cents be the charge, with a minimum charge of 25 cents, when consignees picked up the goods. These were recommended rates only, not to be considered as arbitrary, as it was recognized that local conditions might be a factor.

With George H. Chadwick presiding, the delegates interested in cartage discussed the discrepancies, in various Dominion cities, in the closing hours of the railroads' sheds. The same topic was discussed at the final general session, where the general opinion was that there should be uniformity of closing hour. It was voted that a committee be created to try to effect such uniformity by conferring with railroad officers.

At the cartage session Mr. Chadwick said that trucks were coming more and more into the Canadian warehouse business, due to distributors' demands for quick handling. Discussion indicated that teams were, however, essential, along with trucks. The advertising value of teams was emphasized by one speaker.

At this point Mr. Tippet introduced J. Edgar Lee, president of the American Warehousemen's Association, who in a talk reviewed the activities of the A. W. A. Subsequently Mr. Lee invited the Canadians to attend the American's next convention, which he indicated would be held either in Boston or in the Central West. Mr. Tippet expressed appreciation of Mr. Lee's attendance, and reminded the members that the A. W. A. president was born in Canada.

Mr. Tippet paid a tribute also to W. W. Morse, Minneapolis, a past president of the A. W. A. and who has attended nearly all of the Canadian conventions. Mr. Morse had sent his regrets on this occasion, he said. It was voted to send a telegram to Mr. Morse deploring his inability to be present.

The furniture divisional meeting was presided over by George H. McKeag.

On behalf of J. B. Baillargeon, Montreal, his brother C. J. Baillargeon, pre-

sented a paper on "Long Distance Moving," in which the writer declared that this branch of business could not be improved until the public was given better service.

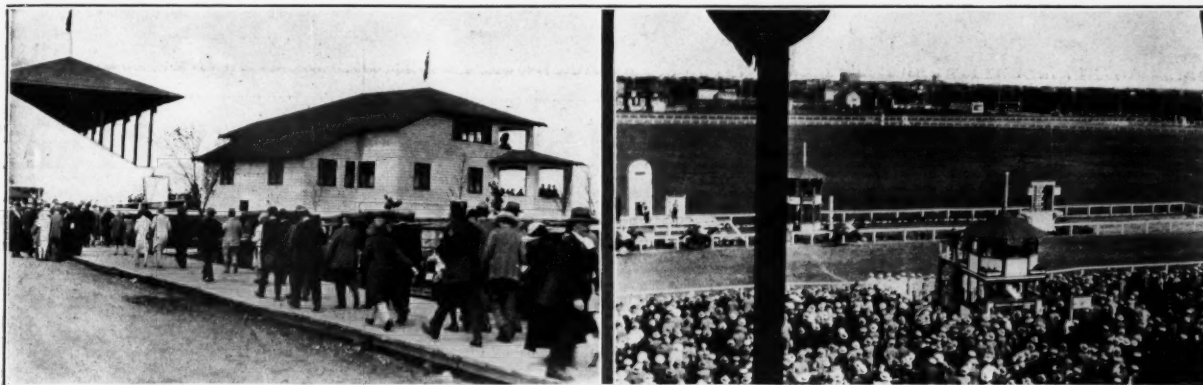
"If we will look backwards," Mr. Baillargeon said, "we will find that we have not been doing justice to our business and to ourselves. In prosperous times we have been content with a small margin of profit; and when bad years and bad conditions came, quite a number of firms had a big struggle to carry on. Before we begin to talk about service we must be fair to our business and to ourselves. We want to give a good service but we cannot work under cost prices.

"We must work on a remunerative basis. Then and only then can we hope to render to the public a real service. When we do a cheap job we cut down on service. We can't help it. Any responsible firm should fully cover the client against all breakages and damage. How can we hope to meet such losses unless we charge a fair and reasonable amount for the service? Gentlemen, I think there is only one solution—established rates.

"For the past few years a representative of my company has spoken at each convention stressing the need of establishing rates as between cities and towns and I am glad to see that a movement has been started for the establishment of an inter-city removals bureau, whose first duty should be to consider establishing rates, and for the members of this association to abide by its ruling.

"No doubt many of you have discussed and will continue to discuss the return load between members, in certain parts of our country. The question is one of great delicacy. It is not only a question of business. Many of our members hesitate to give their clients to their correspondents, preferring rather to handle the business themselves. The main difficulty, I think, lies in the motor trucks. They are not all of a standard size, and it renders more difficult the transfer of your client to another transportation firm.

"Competition is getting very keen in long distance delivery and something



At Polo Park, where racing was in progress during the ninth annual convention of the Canadian Storage and Transporters' Association. Left—Some of the convention delegates "on their way." Right—The crowd and the track

should be done one way or another. We should build our trucks to a standard size so that when we give return loads the clients will have nothing to complain about the capacity of the truck.

"Some of us, to get more business, have built trucks of 1000 cu. ft. capacity, and such trucks are too heavy to come to the province of Quebec, and it must be a great handicap to the owners. If we had followed the advice of and adopted the suggestions outlined in the English lecture of the Furniture Warehousemen & Removers' Association, Ltd., regarding the size of motor trucks, we would certainly have been more advanced in our line. Six hundred cu. ft. was mentioned as being the most economical size for a motor truck.

"What is the use for any one of us to operate motor trucks at a loss? It would be better to make fewer trips with our trucks during a season and double the profits, which can be obtained by close cooperation with our correspondents. With existing conditions a warehouseman who receives an order to pack and ship a load of five or six rooms of furniture, will keep that business for himself, making 40 to 50 per cent profit on the job but, if he lets a correspondent who happens to be in his own town with an empty truck do the work, the latter should be paid a commission of say 40 to 50 per cent on the return load."

W. Pickard, who is secretary of the Toronto Cartage & Warehousemen's Association, stated that 600 cu. ft. for a furniture van had been adopted as standard by that organization, the members charging proportionately if larger or smaller vehicles were used. At the closing general session Mr. Pickard offered a motion, which was adopted, that 600 cu. ft. be adopted by the association as the standard size for motor trucks, horsedrawn vehicles and lift vans.

Advertising

"COOPERATIVE ADVERTISING"
was discussed by Fred Crone, who pointed out that in recent years national advertisers who are successfully marketing their goods and increasing their sales do not stress the articles sold, "but they tell you of what their goods

will do for you in the way of cleanliness, comfort, beauty and economy both for money and time," and that 75 per cent of all advertising was being addressed to women. Mr. Crone suggested that household goods warehousemen apply those two principles to their own advertising.

"The woman is becoming the purchasing department of every household and you are just the producing end of it," he said. "I mean the men. When you deal with a purchasing agent, who is the wife of the man who is supplying the money, you are dealing with a closed corporation, who have multitudes of friends, who can either make you or break you.

"Talk to them about cleanliness of your van; of the smart obliging men who work for you; the way they look after the walks and boulevards and walls and floors, as well as the beautiful personal belongings. Do not hesitate to put sentiment into your advertisements, as long as that sentiment is truthful. It adds a human touch. Make them magnetic, if you please, and back these advertisements up with service. There are some firms which are only throwing away their money in advertising because they are only robbers and thieves and are interested only in getting all they can get out of the public. . . .

"There are three very necessary things that the public use today in any city: transportation, information and communication—the street car, the newspaper and the telephone. If you can cover these three grounds in advertising you are going to get the mass of the people in your city. . . .

"You should employ an advertising agency to write your copy and place your business, and also to select your cuts and display. Every big city and every small city today has advertising men of ability, who can make your 'ad' stand out in the daily paper like a sore thumb and make an appeal that the average woman will not pass up. . . .

"Advertising today is simply mass salesmanship, and in salesmanship there are Introduction, Sales Talk and Closing of Sales, and these lines are closely adhered to among the best selling organizations. Likewise in your advertising.

"First, you figure out the field that you have to cover. Then secure the advertising agency which thoroughly understands your proposition and can write copy that will sell your storage services and which will, with your cooperation, select the proper media for your 'ads.' The closing of the sale remains with yourself."

Mr. Crone believed that cooperative newspaper advertising could be done practically by warehousemen in Canada through having one advertising agency do the entire job, and that increased sales would result. He concluded:

"I believe that the household goods business throughout Canada is getting to a higher grade every year. People are putting more trust in us, and a great deal of credit is due to this organization for the rules and regulations and to the bulletins that have been sent us from other associations, particularly the National Furniture Warehousemen's Association and the American Warehousemen's Association and the Furniture Warehousemen & Removers' Association of Great Britain.

"All the general public wants is a square deal, and we will never get anywhere in business unless we give them one. Prejudice has existed against us because of malpractice. Why take years to let the public find out for themselves that things are changed, when a small sum invested by each of us and used to advertise these facts will help us cash in on the new order of things in a year's time?"

During ensuing open forum discussions Mr. Crone suggested that the delegates consider the N. F. W. A. rule which requires a warehouse company to be a member of a local, State or regional association for one year before becoming identified with the National. The idea was referred to the resolutions committee, headed by Mr. Fleming. At the closing general session it was moved by Mr. McKeag that action be deferred for one year, and this motion was adopted.

During the household goods division's open forum discussions C. J. Baillargeon outlined a profitable advertising plan which his company in Montreal is putting

(Concluded on page 59)

No. 24

Success

Raymond A. Chapin

By E. F.

Let's Take the Old Family

In oval, Raymond A. Chapin, president of the Portland (Ore.) Van & Storage Co., Inc. And here is the Portland company's warehouse, with (in the insert) the entrance enlarged

OUT in the great open spaces that stretch along the Pacific coast there is a certain type of highwayman. Throughout the Northwest—Portland, Tacoma, Seattle, even Vancouver—one meets him at every turn of the road with his load of treasures, silver, tapestries, rugs, taken from happy homes. He is not, however, even remotely related to the gentleman who put the men in menace. On the back of his car is a sign that reads "Blow you horn. We'll let you pass." And, though his size might easily permit him to do it, he never seems to try taking his half of the road out of the middle. He is the man engaged in inter-city freighting.

One of the veterans in this modern development of the warehousing industry is Raymond A. Chapin, president of the Portland Van & Storage Co., Portland, Ore. Mr. Chapin entered the business in Chicago by the simple process of "just drifting into it." He remained because he liked it.

This Portland executive served his apprenticeship in the windy city in the days when a man could work ten years to fill a warehouse and then lose it all by fire in a single night. At that time it was customary to keep the horses, used for draying, in the basement; the equipment, on the ground floor;

while the second floor—and the third if there was one—was used for storage.

Mr. Chapin realized that a man must have a fireproof warehouse to get business as well as for safety insurance—but where was a young man without capital to get that in Chicago?

Finally he told his troubles to Floyd L. Bateman, president of the Trans-Continental Freight Co., and it was Mr. Bateman who suggested that Mr. Chapin move west—maybe to Portland. The romance of the idea appealed to the would-be warehouse man and in due time he was on his way, his sole stock in trade being three scrubby horses purchased at the stockyards and a second-hand wagon picked up "for a song" somewhere on the North Side. These were loaded into a freight car which was filled with household goods furnished by the freight company to cut the transportation costs.

Arriving in Portland, Mr. Chapin secured a small place at Fifth and Burnside Avenues. The Lewis and Clarke Exposition was being staged that year, so he rented a modest building for \$100 a month and managed to arrange with some

(Concluded on page 50)

Stories

No. 25

Walter C. Gilbert

By E. F.

Album Out of Storage!

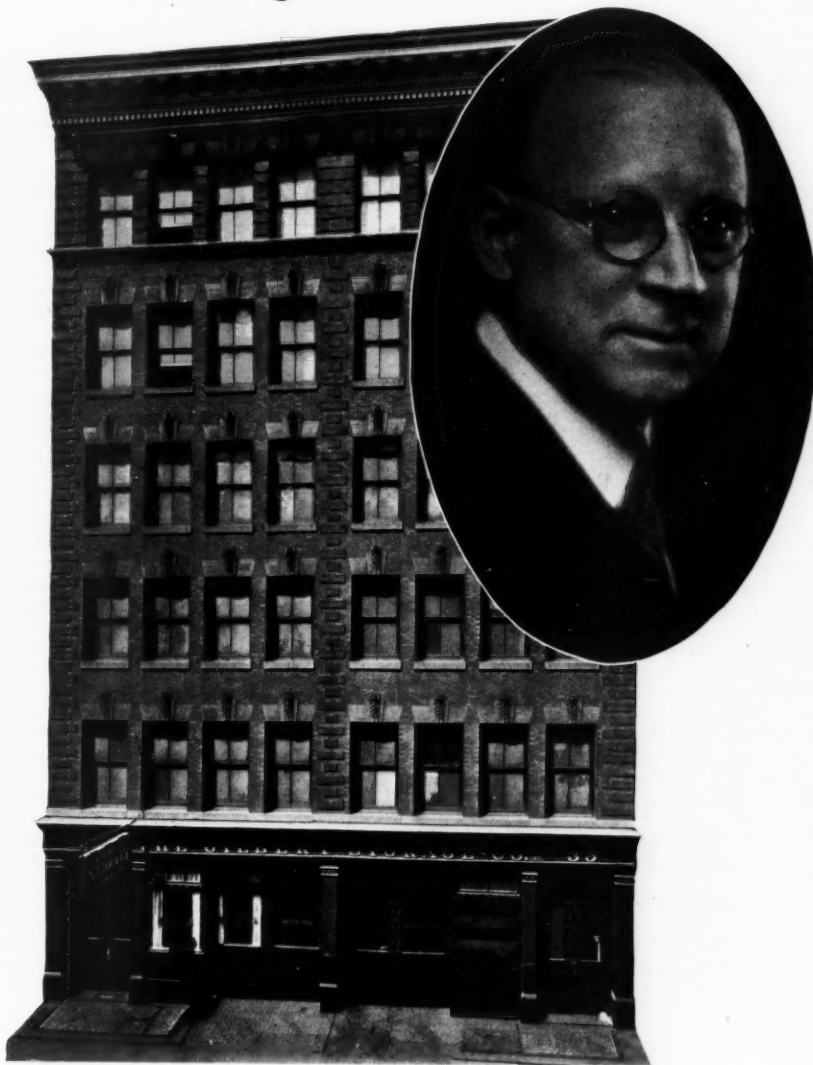
THE warrior who hurled at the whole wide world the announcement that he was "going to fight it out along these lines if it took all summer" had much in common with Walter C. Gilbert, president of the Gilbert Storage Co., Inc., New York.

Mr. Gilbert, like many other veterans of the storage and warehousing industry, started in business with two strong hands and a good supply of common sense as capital. Like many other veterans of the industry, also, he now heads the thriving concern that bears his name. He has twice been president of the New York Furniture Warehousemen's Association, but his rise to a place of prominence was not accomplished by any spectacular means. Like the famous old general, he merely hammered a way along the conventional road to success.

Which does not mean, however, that the conventional road is smooth or uninteresting. It has its ups and downs, its pitfalls and its hard sledding, and Mr. Gilbert has encountered most of these along the way.

As a boy, living in Burlington, Vt., Mr. Gilbert learned the lumber business. At twenty he went to Cleveland to take charge of part of what was known as Mill No. 2 for Woods, Jenks & Co. Here Mr. Gilbert met the girl who was later to become his wife—a young woman whose home was in Brewster, N. Y. Also while located in Cleveland, Mr. Gilbert had a part in supervising the interior wood work of the Brooklyn post office, the Carnegie library at Harrisburg, Pa., the Pittsburgh post office, and the famous Hays mansion at San Jose, Cal., this latter a dwelling made up of two wings comprising a frontage of 150 feet.

Experience gained in the lumber business helped only in a general way when in 1898 his father-in-law sent for him



In oval, Walter C. Gilbert, president of the New York company which bears his name. The building is the Gilbert firm's West Sixty-sixth Street plant

to come to New York and take charge of a warehouse. The former, an elderly man and a farmer, had been obliged to foreclose a mortgage which he held on a piece of warehouse property, and he was at a loss to know what to do with it after he found it on his hands.

Mr. Gilbert was then in Arkansas City, Ark., where the Mississippi River was overflowing its banks so that sidewalks were being built from six to ten feet above the ground to keep them above water. Here he was gaining an excellent knowledge about mechanical things as well as a good schooling in the importance of paying attention to details, for the company with which he was employed was engaged in logging and sawing as well as in the manufacture of lumber.

In those days he didn't know there was such a thing as a warehouse, but he left the South at his father-in-law's request and in due

time landed in the metropolis of these United States.

For the next two years he worked for his father-in-law—learning the business by hard knocks and gaining experience as he went along. At the end of that time he started out "on his own" by renting the building. Then he purchased the accounts—and at the end of another two years he bought the building.

The warehouse proved to be a profitable investment, and Mr. Gilbert still owns it. The accounts, however, were not so good; and, even now, looking back reminiscently over his early blunders, the veteran warehouseman considers this purchase as one of the greatest mistakes of his career. The accounts consisted mostly of things that had been stored in the cellar for years—belongings that had become almost worthless. The purchase price was 100 per cent of the face

(Concluded on page 51)

WITH THE ASSOCIATIONS

HERE is presented in tabloid form the Association news that is of *general interest* to the industry as a whole. No effort is made to present complete reports of all Association meetings; the dissemination of such information is logically the work of the officers and the committee chairmen. What is presented here is in effect a cross-section review of the major activities so that Association members may be kept advised as to what "the other fellow" elsewhere in the country is thinking and doing. When annual or semi-annual meetings are held, more extended reports will occasionally be published.

Review of Progress in Trade Association Activities as Sponsored by National Chamber of Commerce

THE practicability of setting up a working arrangement by which Government and business can cooperate to eliminate economic wastes due to questionable or unethical trade practices is pointed out by Judge Edwin B. Parker, chairman of the board of directors of the Chamber of Commerce of the United States.

Reviewing decisions by the United States Supreme Court and declarations by the Federal Trade Commission, Judge Parker points out that the way is open for business first to pass upon trade practices through joint trade relations committees, and that these findings then may be gone over by the Federal Trade Commission in the interest of the general public.

Judge Parker's views were made known in a recent statement before the Domestic Distribution section of the Chamber at a meeting which took up the progress that has been made in the creation of trade relations committees. These committees are now operating in a number of industries, and represent manufacturers, wholesalers, and retailers within the industry. The plan of the Chamber is to encourage during the coming year the extension of the committees into other industries, the eventual idea being that all industries thus will be able to work out such measures of self-regulation as to make it unnecessary for the Government to intervene through any of its regulatory agencies.

This represents, according to Judge Parker, the practical application of three of the fifteen principles of business conduct formulated three years ago by a special committee of which Judge Parker was chairman, and adopted by the national Chamber and commercial organizations throughout the country.

"It frequently happens," says Judge Parker, "that trade associations are made up of those engaged in the same branch of the same trade or industry, while many of the trade customs which are wasteful have grown up between those engaged in different branches of the same trade or industry; for example, between the manufacturer and the wholesaler, or between the wholesaler and the retailer. The suggestions which have been made to you contemplate the

formation of a Joint Trade Relations Committee along vertical lines embracing representatives from every branch of the industry and bridging the gaps between trade associations representing only distinct branches of that industry. Such a committee, formed for the purpose of seeking out and defining practices which are wasteful and which in the interest of the trade as a whole

This Looked Like Old Times

WHO presided at the May meeting of the Massachusetts Warehousemen's Association?

None other than George S. Lovejoy, lately retired from the public storage industry and yet still in the harness in spirit.

A past president of the American Warehousemen's Association for years and also formerly executive head of the Bay State organization, Mr. Lovejoy generally attends the Massachusetts body's meetings. At the time of the May session Samuel G. Spear, the president, was out of town, so the members elected Mr. Lovejoy chairman *pro tem*.

should be eliminated, will find customs which, even if originally useful, have outgrown their usefulness and become wasteful, or customs which have been forced upon some of the members of a trade against their better judgment.

"Where representative individuals in each branch of an industry agree that a particular practice constitutes a trade abuse, it is apt to be such. However, there is another interested class—the ultimate consumer—whose voice should be heard that the trade as a whole may not gain any undue or selfish advantage at his expense. This class may properly be represented by the Federal Trade Commission, a wholly disinterested public agency. When the Joint Trade Relations Committee, formed in the manner which has been suggested to you, agrees that a particular practice

constitutes a trade abuse, and its report is approved by the Federal Trade Commission, it may be safely accepted as not only in the interest of the trade, but in the general public interest.

"The last annual report of the Federal Trade Commission outlines the procedure of the 'Division of Trade Practice Conferences' adopted during the fiscal year ended June 30, 1926, which, in the language of that report, 'provides a method of procedure whereby those engaged in an industry or business may formulate, under the direction or sanction of the Commission, their own rules of business conduct.' The report continues:

"This procedure has proven an expeditious and economical means of eliminating the use of unfair methods of competition from industry by assembling in conference representatives of a given industry who under the direction of the Commission define and on a given date voluntarily and simultaneously abandon the use of such methods, thereby putting all competitors on an equal footing. In addition, it induces moral support and actual assistance from the industry in the enforcement of the rules which the industry adopts and accomplishes at a minimum of cost and time, one of the chief purposes for which the Commission was created. . . .

"When the industry has adopted its rules a full report of the conference, showing those present, the proportion of the total industry which they represent, and other essential data, is presented to the Commission; and if adopted or sanctioned by the Commission, the action of the industry becomes the rule of business conduct for that industry on the subjects covered. . . .

"The findings by an industry condemning a given business practice are available to the Commission for use as evidence in any proceeding directed to an individual member of the industry who fails or refuses to abide by the rules of conduct laid down by the industry, and who indulges in practices condemned by the industry and by the Commission as unfair, and the division of trade practice conferences furnishes a means whereby an agreement once entered into may be kept in effect and

SINCE the appearance of the list of warehousing trade associations in the 1927 Warehouse Directory, published as part of the January, 1927 issue of *Distribution and Warehousing*, there have been a number of changes in the personnel of officers and in addresses, etc., and several new associations have been organized.

The record as of date of Jan. 1, 1927 appears on pages 82 and 83 of the 1927 Directory. For the information of owners of the Directory the following subsequent changes and additions are here set down. A complete revised list of all the associations will be published in the 1928 Warehouse Directory next January.

- American Association of Ice and Refrigeration**
Pres., R. H. Switzer, Lewis & O'Fallon Sts., St. Louis
Exec. Sec., Ralph C. Stokell, Room 1554 Adams-Franklin Building, 222 W. Adams St., Chicago
- American Warehousemen's Association**
Pres., J. Edgar Lee, 427 W. Erie St., Chicago
Gen. Sec., Elmer Erickson, 1524 So. Western Ave., Chicago
Pres. Merchandise Division, P. L. Gerhardt, 100 Broad St., New York City
Pres. Cold Storage Division, Harry C. Lewis, 17 Varick St., New York City
Exec. Sec. Merchandise Division, Wilson V. Little, Suite 1548-1550 Adams-Franklin Building, 222 W. Adams St., Chicago
Exec. Sec. Cold Storage Division, Ralph C. Stokell, Room 1554 Adams-Franklin Building, 222 W. Adams St., Chicago
- California Warehousemen's Association**
Pres., J. W. Howell, 60 California St., San Francisco
- Colorado Transfer & Warehousemen's Association**
Pres., Charles McMillan, 130 Laporte Ave., Fort Collins
Sec., L. J. Johnson, 221 Broadway, Denver
- Grand Rapids, Mich., Transfer & Storage-men's Association of**
Pres., Andrew DeGroot, 730-732 W. Leonard St.
- Houston Transfer & Storage-men's Association**
Pres., R. W. Archer, 2001-2019 Nance St.
Sec., Neill H. Bannister, 712 Keystone Building
- Illinois Association of Warehousemen**
Sec., Wilson V. Little, Suite 1548-1550 Adams-Franklin Building, 222 W. Adams St., Chicago
- Illinois, Central Warehousemen's Association of**
Pres., H. J. Crandall, 1205-1209 4th Ave., Moline
- Illinois Furniture Warehousemen's Association**
Pres., A. H. Hollander, 1616 Milwaukee Ave., Chicago
- Iowa Warehousemen's Association**
Sec., Paul Bekins, 2 W. 3d St., Sioux City
- Kansas City, Team & Motor Truck Owners' Association of Greater**
Pres., D. S. Adams, 228-234 W. 4th St.
- Kansas City Warehousemen's Association**
Sec., A. V. Cresto, 40th and Broadway
- Kansas Warehouse & Transfermen's Association**
Pres., U. O. Bryan, 120-124 No. Wichita St., Wichita
Sec., John F. Dee, 115 No. Mead Ave., Wichita
- Memphis Warehousemen's Association**
Pres., L. S. Rose, 6 E. Calhoun Ave.
Sec., J. S. Driver, Jr., 645 E. Front St.
- Minnesota Warehousemen's Association**
Sec., George A. Rhame, 919 McKnight Building, Minneapolis
- Missouri Warehousemen's Association**
Pres., D. S. Adams, 228-234 W. 4th St., Kansas City
Sec., G. C. Dintelmann, 52nd St. and Delmar Blvd., St. Louis
- Nebraska Transfer & Warehouse Association**
Sec., Howard K. Steberg, 1107-1111 Howard St., Omaha
- New York, Central New York Warehousemen's Club**
Pres., H. W. Dean, 401-409 E. State St., Ithaca
Sec., Myles T. Sullivan, 270-272 James St., Syracuse
- Ohio Association of Commercial Haulers**
Pres., Thomas Hell, Jr., 1441 Euclid Ave., Cleveland
Sec., Lloyd Riley, Columbus
- Ohio Warehousemen's Association**
Pres., Don C. Welch, 706-718 Oak St., Cincinnati
Sec., P. A. Dolle, 1024 No. High St., Columbus
- Pennsylvania Furniture Warehousemen's Association**
Pres., Fred L. Harner, 1809-1813 Market St., Philadelphia
- Pennsylvania State Warehousemen's Association**
Pres., Philip Godley, 23 Queen St., Philadelphia
Sec., Robert L. Spencer, 524-5 General Office Annex, 15 No. 32nd St., Philadelphia
- Portland (Ore.) Draymen & Warehousemen's Association**
Pres., W. H. Hurlburt, 55 No. Park St.
- San Francisco, Draymen's Association of**
Sec., J. F. Vizzard, 310 Call Building
- Texas Warehouse & Transfermen's Association**
Field Sec., Neill H. Bannister, 712 Keystone Building, Houston
- Washington State Warehousemen's Association**
Pres., C. C. Cater, 121 So. Madison St., Spokane
Sec., Walter E. Petty, 103-109 E. Sprague Ave., Spokane
- Wichita (Kansas) Transfer & Storage Association**
Pres., Roy Payne, 115 No. Mead Ave.
Sec., Alva E. Smith, 301 So. Wichita St.

better attention given to violations."

"Here is a carefully phrased official report of the Federal Trade Commission expressing not only its willingness to cooperate with business in its effort at self-regulation for the elimination of trade abuses, but prescribing a simple method for the accomplishment of that end. This offers to business an opportunity in good faith to set up simple machinery in each trade diligently to seek out the abuses which unquestionably exist to a greater or less extent in every industry, and to take effective measures to eliminate them."

N. F. W. A.

THE eighth semi-annual meeting and summer outing of the National Furniture Warehousemen's Association will be held at the Grand Hotel on Mackinac Island, Mich., on July 8 to 13, inclusive. In the words of Ralph J. Wood, Chicago, the association's secretary, this will be "a vacation trip for warehousemen combining business with pleasure."

With one exception—a sultry July when the National traveled over into Canada to assemble on Bigwin Island—every summer-time convention of this junior national trade association of the industry has been staged at Mackinac. It was at Mackinac that the N. F. W. A. was organized, in July of 1920.

Ordinarily this coming July meeting would have been an annual one, but a change in the by-laws as adopted at Mackinac a year ago deferred the next yearly convention until January, 1928, with annual gatherings to be held in the winters thereafter. Under this arrangement the officers elected in July, 1926, hold over until January, 1928.

The members leaving from Chicago depart on the lake steamship Eastern States from the municipal pier at the foot of Grand Avenue, Chicago, at 1.30 p. m., central standard time, on July 7 and arrive at Mackinac at 9.30 a. m. on the following day.

The extreme Eastern delegates leave the Grand Central Terminal in New York at 8.30 a. m., eastern standard time, on July 6 and arrive in Buffalo at 5.30 p. m. and board the steamship Greater Buffalo, which leaves at 6 p. m. for Detroit. Other delegates will board the steamship City of Cleveland at the D. & C. Wharf, East Ninth Street Pier, Cleveland, at 11.30 p. m., eastern standard time, on July 6, for Detroit. At Detroit the eastern and Cleveland delegates will board the steamship Western States, which leaves the D. & C. Wharf at the foot of Third Avenue, Detroit, at 1.30 p. m., eastern standard time, on July 7, and arrives at Mackinac at 8.15 a. m. on July 8, about an hour before the Chicago delegation gets in.

The opening session of the convention at Mackinac has been set for 2 p. m.

on July 8, Friday, with a meeting also in the evening. On July 9 there will be afternoon and evening sessions. Sunday, the 10th, will be devoted to golf and baseball, with a business meeting in the evening. The afternoon of the 11th will be devoted to business, and the banquet will be held in the evening. The convention will be adjourned at 11 a. m. on Tuesday, the 12th—in time for the delegates returning east to board the steamship leaving for Detroit at 12.30 p. m. The members returning by way of Chicago will lay over in Mackinac until 11.30 a. m. on Wednesday, the 13th.

McCloskey Succeeds West

William S. West has resigned as manager of the eastern district office, in New York, of the N. F. W. A. inter-city removals bureau and has been succeeded by Robert H. McCloskey, who assumed his duties early in June at the bureau's eastern headquarters, 2067 Broadway. Henry Reimers, Chicago, the National's executive secretary, spent part of June in New York supervising the reorganization of the work following Mr. West's departure.

Mr. McCloskey, the new incumbent, is a graduate of Girard College, Philadelphia. He has been connected with the common carriers in trunk line territory for a number of years and is thoroughly familiar with the eastern part of the country.

During the period of Federal control of the railroads he was a member of the Eastern Freight Traffic Committee, the division whose work laid the foundation of the investigation pending before the Interstate Commerce Commission known as the Eastern Class Rate I. C. C. 15879.

Since the return of the carriers to individual ownership in 1922, Mr. McCloskey has been practicing before the I. C. C. and public service and utilities commissions, the railroad rate-making authorities, and classification committees in freight rates and classification adjustments and propositions.

A. W. A.

LATE in June there appeared little probability that any mid-summer regional meeting of the merchandise division of the American Warehousemen's Association would be held, similar to the one staged in Chicago a year ago.

It will be recalled that at the Kansas City convention of the American, last January, the by-laws were revised so as to eliminate the provision which arbitrarily called for the arranging of such a mid-summer gathering. This change left it up to the division's directors to schedule a meeting if demands by the members warranted holding one. No such demands have been reaching the office of the divisional executive secretary, Wilson V. Little, Chicago.

The merchandise division's Central Bureau committee met in Atlantic City, N. J., on May 16 and 17 and laid the groundwork for the preparation of a specimen tariff, as urged by the committee's chairman, T. E. Witters, Baltimore, at the Kansas City convention. Some definite suggestions along this line will be presented at the annual meeting in the winter.

P. L. Gerhardt, New York, president of the merchandise division, has announced the appointment of a special committee on lake ports to study conditions that militate against privately operated public warehouses at those ports. The committee is headed by G. J. Hansen, Milwaukee, as chairman. The other members are C. W. McDonald, Chicago; George Hamley, Minneapolis; Herbert H. Lederer, Cleveland; Ed Coe, Detroit, and Samuel G. Spear, Boston.

Colonel Gerhardt has announced also the personnel of the committee on bonded warehouses—H. A. Holt, chairman; W. E. Firth, New York; H. E. S. Wilson, Hoboken, N. J.; John Nichols, Boston; Samuel G. Spear, Boston; A. P. Jones, Norfolk; H. W. Verrall, Chicago; Jay Weil, New Orleans; R. W. Dietrich, New Orleans; S. M. Haslett, San Francisco; George Lamb, San Francisco; E. V. Sullivan, Philadelphia; J. B. Rex, Philadelphia; J. P. Feuling, St. Paul; Gerald FitzGerald, Los Angeles; Merle E. Turner, Los Angeles; W. Eyres, Seattle; G. B. Nicoll, Seattle, and D. G. Bates, Portland, Ore.

Mr. Holt, the chairman, is chief of the legal department of the Bush Ter-

minal Co., of which Colonel Gerhardt is vice-president, and is thoroughly familiar with the practical phases of warehouse operations as well as its legal aspects. His activities bring him in frequent contact with customs routine, decisions, etc.

Announcement is made by Executive Secretary Little of the merchandise division that the following companies have joined that division:

Central Warehouse, Salt Lake City, Utah. George E. Chandler is president and Mrs. B. C. Rooklidge is manager.

Independent Coal & Transfer Co., Boise, Idaho. J. R. Compton is president and M. A. Compton is secretary.

California

THE California Warehousemen's Association held its annual convention at the Palace Hotel in San Francisco on June 17 and 18 and elected officers as follows:

President, J. W. Howell, secretary and manager Haslett Warehouse Co., San Francisco.

Regional vice-presidents, W. E. Hibbitt, president Lawrence Warehouse & Distributing Co., Sacramento; E. B. Gould, president Pioneer Truck & Storage Co., San Diego; G. H. Farrar, Alvin Turner and W. H. Dillon.

Treasurer, Henry F. Hiller, manager and operating executive San Francisco Warehouse Co., San Francisco.

The incoming directors will elect a secretary—probably L. A. Bailey, San Francisco, the present incumbent. The directors chosen are:

For northern district: W. S. Hall, C. B. Harter, W. E. Hibbitt and W. E. Jones.

For central district: A. T. Gibson, S. M. Haslett, Fred D. Parr and J. Q. Patton.

For valley district: Floyd Bekins, Joseph Bassoian, J. W. Schuler and Alvin Turner.

For coast district: Homer N. Duffy, W. H. Dillon and E. P. Marshall.

For southern district: Charles G. Munson, E. B. Gould, B. E. Whitmarsh and M. E. Turner.

—H. H. Dunn.

(Note: The foregoing was received by telegraph. A more detailed story will appear in the August issue.)

Pennsylvania F. W. A.

WITH thirty-two representatives of fourteen member companies attending, the Pennsylvania Furniture Warehousemen's Association held its annual summer outing on June 11, afternoon and evening, at the Philadelphia Rifle Club grounds. Obstacle golf, broom polo, baseball, bowling and other sports furnished the entertainment, together with a chicken dinner.

At a brief business session the association restored to membership a Philadelphia company which had previously been suspended on the grounds of unethical advertising.

Illinois

THE Central Warehousemen's Association of Illinois, the Illinois Furniture Warehousemen's Association and the Illinois Association of Warehousemen held a joint meeting at Springfield on June 18. The purpose of this assembly may be summarized by a resolution, unanimously adopted, which was offered by Floyd L. Bateman, Chicago, as follows:

"Be it resolved, that an organization to be known as the Illinois Warehousemen's Association shall be formed and that, concurrent with such action, it be recommended to the present two Chicago organizations (the Illinois Furniture Warehousemen's Association and the Illinois Association of Warehousemen) that they change the names of their organizations to 'Chicago Furniture Warehousemen's Association' and 'Chicago Merchandise Warehousemen's Association.'"

It was apparent at the Springfield meeting that there had been a growing feeling that the present three associations in Illinois overlapped both in general purposes and in the territory served. The purpose of the joint gathering was, primarily, to correct this situation.

With the foregoing resolution as a basis, A. H. Hollander, Chicago, moved that the president and the secretary of each of the three bodies be instructed to confer on the advisability of the action specified in the resolution, this committee to report back to the three associations. This motion was adopted.

The Plan Outlined

At the close of the session the opinion seemed to prevail that forthcoming meetings of the three organizations would bring about the following situation:

1. In Chicago there would be two warehousing trade associations—one exclusively for the furniture storage executives and the other for the merchandise warehousemen, all locally situated.

2. The Central Warehousemen's Association of Illinois would continue to function in its present capacity. For the most part the members are engaged in both household goods and merchandise warehousing.

3. It would logically follow that there would be a State organization formed which would be made up of the combined membership of the three associations. This State body would be supported financially on a *per capita* basis by direct payment to the State organization from the treasuries of the other three. In this way an Illinois warehouseman would join, and pay dues to, only one association. This would make him automatically a member of the State-wide organization, which, according to plans suggested, would hold semi-annual meetings.

During the summer the three present associations will decide what action they wish to take on the suggestion, and a final vote will be taken when the Central Warehousemen's Association of Illinois meets in Moline next October.



Scene at joint banquet—at St. Nicholas Hotel, Springfield, Ill., on June 18—of Illinois Association of Warehousemen, Illinois Furniture Warehousemen's Association and Illinois Association of Warehousemen, which are planning a State organization with two Chicago local bodies and the Central organization as the supporting members

According to Ralph J. Wood, Chicago, president of the Illinois F. W. A., there are 58 Chicago members and 23 elsewhere in the State in that organization. According to Wilson V. Little, Chicago, secretary of the Illinois Association of Warehousemen, the latter comprises 18 members in Chicago and 19 elsewhere in the State. The proposed plan would eliminate the present necessity on the part of some warehousemen located outside of Chicago who feel that they must belong to the three present associations separately.

Crandall Heads C. W. A. I.

The joint meeting was preceded, on the 17th, by a meeting of the Central Warehousemen's Association of Illinois, which elected officers as follows:

President, H. J. Crandall, president Crandall Transfer & Warehouse Co., Moline.

Vice-president, C. B. Hall, president Danville Transfer & Storage Co., Danville.

Secretary (reelected), Russell E. Hillier, partner Hillier Storage Co., Springfield.

Treasurer, T. P. Bradford, partner Merchants Transfer & Storage Co., Springfield.

New members of executive committee, Clarence A. Ullman, secretary Federal Warehouse Co., Peoria; Robert R. Johnson, president Johnson Transfer & Fuel Co., Bloomington.

The association authorized the secretary to employ an attorney and draw up a long distance removals contract which would be fair to both customer and warehouseman. As a basis will be used the standard form of the inter-city removals bureau of the National Furniture Warehousemen's Association. It was recommended that all members secure signed contracts for all long distance removals.

A resolution was adopted that the association insist that all its members must carry public liability insurance policies to the extent of \$10,000 and \$20,000 covering the operation of their trucks.

It was voted that all future membership applications must be accompanied each by a certified statement of assets and liabilities to show the financial standing of the applicant. The association was originally organized to bring about a more economical method of complying with the State law which demands a bond in connection with the

license issued to the warehouse to permit it to do business within the State. The association still carries on the bonding department, and every member is bonded to the State through this department. There are now twenty-two members.

The association adopted the standard N. F. W. A. motor truck cost accounting method. All members were instructed to keep accurate records of all motor truck operating expenses on the standard form and to bring copies of these records to the October meeting.

The three Illinois associations held a joint luncheon at the St. Nicholas Hotel on the 18th, Mayor Emil Smith of Springfield making the welcoming address. Talks were made also by S. S. David and Floyd L. Bateman of Chicago, and Clarence A. Ullman of Peoria. In the evening there was a banquet, the speaker being Roy S. Johnson of the Attorney-General's office, followed by a theatre party with the Springfield members as the hosts.

Springfield Plan Approved

The Illinois F. W. A. held its annual meeting, at the Traffic Club in Chicago on June 20, and indorsed the Springfield plan.

The Springfield deliberations were reported on by Ralph J. Wood, retiring as president, as a member of the committee created at the joint meeting earlier in the month. This committee, Mr. Wood announced, had reached an agreement to recommend to the three associations the organization of a State body with three divisional units—a household goods division for Chicago, a merchandise division for Chicago, and a central division to embrace all the State territory outside of greater Chicago.

This announcement proved of great interest to the members and a long discussion followed. S. C. Blackburn, Kansas City, president of the N. F. W. A., unqualifiedly recommended the organizing of a State body; he cited the constructive work that had been accomplished by the Missouri Warehousemen's Association. The definite action is summarized in the following motion offered by Martin H. Kennelly, Chicago, and adopted by a large majority:

"I move that this association go on record as being in favor of a State association; that we are willing and anxious to become a part of that association, retaining our identity as the Chi-

cago Furniture Warehousemen's Association, or some other name that will be satisfactory to all our members, including members, in Evanston and other suburbs, that now belong to this association and meet here regularly with us, and that the name of the Chicago branch designate it as an association and not a section or branch of the State association; and that the committee be instructed to report this back to the joint meeting with the other groups and incorporate it in the final draft of the new association."

I. F. W. A. Elects Hollander

The Chicago meeting was presided over by Mr. Wood and followed a dinner which was in the nature of a tribute to the retiring president, who had been in office two years. About sixty warehousemen attended. Officers were elected as follows:

President, A. H. Hollander, president Hollander Storage & Moving Co., Chicago.

Vice-president, Earl C. Iredale, president Iredale Fireproof Warehouse, Evanston.

Secretary, James L. McAuliff, secretary David Fireproof Warehouses, Chicago.

Treasurer, W. H. Collin, secretary Empire Warehouses, Inc., Chicago.

Directors, the foregoing and Ralph J. Wood, W. P. Thiebault, Paul Rensch and Frank Schauler.

The subject of long distance removals by motor truck was brought up by Mr. Kennelly in his report as chairman of the publicity committee. He pointed out the necessity of giving more consideration to this phase of the business and reminded the members that long distance removals by truck were on the increase, whereas crating of household goods for shipment by rail was on the decline, and declared that established warehouses were not getting their share of the business, a great volume of which was going to specialized moving companies which were advertising intensively for this class of work.

Mr. Kennelly offered the opinion that while this business had not proved profitable for warehousemen, they must nevertheless engage in it in order to control the storage business at both origination and destination of load.

Mr. Thiebault recommended a two-page spread in the telephone Red Book over the signature of the N. F. W. A. inter-city removals bureau. While many mem-

bers were in favor of this as the starting point of an advertising campaign, the proposal was voted down at the meeting, but it was left with the publicity committee to formulate a well rounded campaign of this character, the plans to be submitted at a future meeting.

Following the general discussion, Mr. Blackburn made a talk reminiscent of the earlier days in household goods warehousing. He recalled particularly his attendance at the I. F. W. A.'s first meeting out of town—at Oconomowoc, Wis., in 1909. He had words of praise for the constructive work of the local associations in all parts of the country, declaring this work to be the basis of the strength of the N. F. W. A.

—W. D. Lect.

New York F. W. A.

NOTWITHSTANDING that the whole of the city had given up the day to celebrating the arrival of Col. Charles A. Lindbergh, the trans-Atlantic flier, the June meeting of the New York Furniture Warehousemen's Association, held at the Aldine Club on the 13th, was well attended.

Henry Reimers, Chicago, executive secretary of the National Furniture Warehousemen's Association, explained at length the recent developments in the operation of the National's eastern inter-city removals bureau, and introduced the new eastern branch manager, Robert H. McCloskey. Mr. Reimers announced that the branch would hereafter have to be maintained by the local associations making use of it. Barrett C. Gilbert, chairman of the local bureau committee, explained the financing plan.

The report of the arbitration committee appointed to work in cooperation with the American Arbitration Association was deferred because of the illness of the committee's chairman, John H. Coughlin.

The building construction committee, headed by George Kindermann, appointed at the May meeting, reported that it was just starting to function.

Various phases of insurance were discussed after Charles S. Morris had submitted his report as chairman of the insurance committee. Mr. Morris promised to present a report, at an early meeting, on the problem of whether the warehouseman should maintain a separate fire-proof compartment for an electric saw used in the packing department.

As chairman of the entertainment committee, William Cramer announced plans for the association's "birthday party," in October, when the thirtieth anniversary will be celebrated. A dinner-dance will be held at the Pennsylvania Hotel on Oct. 11, and the guests of honor will be Walter C. Reid and Charles R. Saul, two of the men who helped form the New York body. A number of N. F. W. A. executives will be invited to speak.

At the suggestion of Mr. Reid, the association voted in favor of applying uniform methods of packing and crating. It is planned to have one man take a

month's tuition at the Government's packing school, this man thereafter to instruct the various warehouse packers in the use of materials and in the most efficient ways to crate goods.

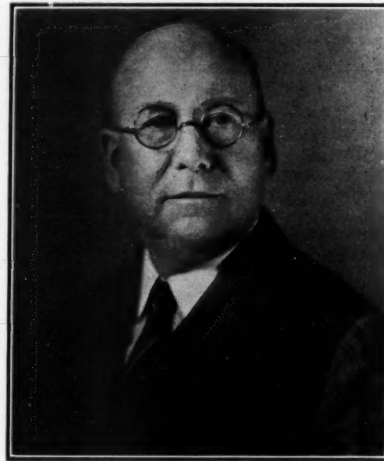
—P. J. O'Connor.

New York State

THE New York State Warehousemen's Association held its sixth annual convention on June 17-19 at the Fort William Henry Hotel, Lake George, and reelected officers as follows:

President, Charles A. Winslow, presi-

C. A. Winslow



Reelected president of the New York State Warehousemen's Association

dent Winslow Trucking Co., Watertown.

Vice-president, Joseph W. Powell, president Cold Spring Storage Co., Inc., Buffalo.

Secretary-treasurer, William T. Bostwick, president Thomas J. Stewart Co., New York City.

Directors are the foregoing officers and Joseph W. Glenn, O. J. Glenn & Son, Buffalo; R. M. King, president King Storage Warehouse, Syracuse; Harold Jones, treasurer, Jones-Clark Trucking & Storage Co., Inc., Utica; Fred J. Hahn, operating executive Chelsea Fireproof Storage Warehouses, Inc., New York City; U. C. Leckinger, B. R. & P. Warehouse, Inc., Rochester; William J. Connor, secretary Flagg Storage Warehouse Co., Syracuse; E. H. Milligan, vice-president Lee Bros., Inc., New York City; W. F. Firth, of Trustees of Estate of William Beard, New York City; Harold W. Dean, president Dean of Ithaca, Inc., Ithaca; E. J. Tucker, secretary Monarch Storage & Warehouse Co., Inc., Buffalo; Arthur S. Blanchard, president Blanchard Storage Co., Inc., Rochester, and W. P. Dunlap, manager Leonard Warehouse, Inc., Buffalo.

Among the subjects discussed was the advisability of State regulation, mentioned in the report of the legislative committee chairman, Mr. Leckinger,

Rochester. Consensus of opinion was opposed to any such regulation.

R. M. King discussed a plan for establishing fixed terminals whereby half-loads and small lots of both household goods and merchandise could be taken to a certain terminal and then trucked from one terminal to another and distributed at destination by lighter vehicles than the ones operating between the fixed terminals. It was indicated that this idea might be further developed.

Henry Reimers, Chicago, executive secretary of the National Furniture Warehousemen's Association, discussed the operation of the eastern branch of the National's inter-city removals bureau, and the problem of financing it, by the various local associations in the East, was considered.

Ohio Haulers

THE Ohio Legislature having adjourned without taking favorable action of certain bills sponsored by the Ohio Association of Commercial Haulers, which includes many warehouse companies in its membership, the organization is already planning, it is announced, to present amendments at the Legislature's next session, in 1929. One phase of the campaign will be to seek to have haulers divorced from bus operators in any regulatory measures, on the theory that the haulers have many problems which are not shared by the owners of passenger vehicles.

Meanwhile the hauler's body, through its officers, including Frank E. Kirby, Columbus, the secretary, has inaugurated a new enforcement policy. Alleged offenders against prevailing statutes will be brought before the State's Public Utilities Commission. If the Commission adjudges such companies or individuals to be public carriers, and they have not obtained certificates of convenience and necessity, arrest and conviction will be sought.

To outline the policy, haulers' district meetings were held in May and June in nineteen sections of the State.

The association's membership has increased to 375 from 150 last September, stimulated in large measure by the annual meeting held early this year.

—J. W. Lehman.

Pacific Coast

THE May meeting and dinner of the central division of the Pacific Coast Furniture Warehousemen's Association was held at San Jose and was devoted largely to discussion of the best methods of handling private household goods sales in the warehouse. The meeting was well attended, thirty-two members being present. The Starkey Transfer & Storage Co., Sacramento, was elected to membership. Change in the meeting date was made to the Saturday preceding the second Monday in each month.

A letter was read from the Matson Navigation Co. in which the steamship corporation refused to make an investigation of concealed damage to a shipment from Honolulu, on the ground that

a transfer company in the Hawaiian port and one in San Francisco had handled the shipment.

C. C. Lockett, Sacramento, president of the division, brought up the subject of labor and handling charges into and out of the warehouse. Consensus was that it required two men six hours to unload, mark, and store a vanload of furniture, or twelve hours' work, for which most of the warehousemen were charging only eight hours labor. On suggestion by A. J. Becker, San Francisco, a questionnaire will be sent to all members of the association in an effort to get at a fair charge for this handling. Reference to the N. F. W. A. rate basis table was suggested. It was moved and carried that Mr. Lockett appoint a uniform methods committee to consider this problem and several others concerning charges which have come up before past meetings of the division.

Conducting Private Sales

James Monroe, Sacramento, led the discussion on the best method by which the warehouseman may conduct private sales of household goods in the warehouse.

"Such sales should be encouraged by the warehouseman," said Mr. Monroe, "not to get away from or lose storage, but as a better business proposition than permitting the customer to dispose of goods to the second-hand furniture dealer. Those sales have two factors of value to the warehouseman: first, they increase his revenue; second, they bring people to the warehouse, thus giving the individual warehouseman a wider acquaintance and a larger field of prospects.

"In our experience with these sales we tried several methods before we arrived at one which has proved satisfactory to all concerned. Our first method was to allow the owner of the goods to handle his own sale. We took down, tagged, and displayed the goods. The owner did his own advertising and handled his own selling. Then we got the delivery tags and made deliveries. This system had two disadvantages: first, it required too much time, and forced us to carry too many people up and down in our elevators, without any financial return for the time and labor involved; second, we did not always collect all the charges, as the customer, making his sales, collected for himself and might or might not pay us in full.

"Under another method we devised, the warehouseman handles the sale completely. The customer pays for the advertising of the sale, but we charge him for display space, time and labor in handling the goods in and out and displaying them. Time, however, is hard to arrive at, owing to the scattered character of the work involved. This method works well but is not perfect. In the first place the customer may not be pleased, as he cannot be told in advance the exact cost. In the second place the prices placed by the customer may be, and usually are, too high, as most furniture owners have an exaggerated idea of the actual value of their property.

Third, if no sales are made the customer may object to paying the warehouseman's charge.

"The proper way, we have found, is to handle the sale on a percentage basis, which resolves itself into a question of what percentage to charge. A study of our old records shows that 10 to 15 per cent is a fair charge, which permits the warehouseman to reimburse himself and make a reasonable profit. The customer is better pleased with a fixed charge, which he knows in advance; the warehouseman does the advertising, with the customer paying for it; the time of the display and sale is limited, usually to two weeks, especially the display in instances in which the customer's prices are too high. If the goods are not sold in the two weeks' time they are put back in storage, at the customer's expense.

"In this system we first ask the customer to put the lowest acceptable price on each piece or set. If the customer is doubtful as to the value of his goods we call in a reputable second-hand dealer, who will give an honest valuation according to the current market. The percentage basis on which we conduct the sale convinces the customer at once that the warehouseman will get the highest possible price for the goods. We take a receipt from every buyer, and turn it over to the owner, so as to satisfy him that the sale and prices have been honest.

"We have tried this method many times; it always has been acceptable and we have adopted it permanently at our warehouse."

Standardization of methods and rates by the association was urged by Mr. Lockett in thanking Mr. Monroe for his summary.

J. R. Driver, Berkeley, raised the question of what was done with goods remaining unsold; Mr. Monroe replied that an additional charge was made for handling the goods back into storage.

Harry Dawson, Stockton, commented that his firm charged the customer for the time occupied in taking the goods down to the first floor and tagging them. Then 10 per cent of the prices fixed by the owner is charged for conducting the sale, while the owner pays for the advertising.

H. B. Holt, San Francisco, said that private purchasers were not so abundant in a large city; that these individuals as a rule were seeking only bargains; that they wanted to pick out the best stuff, pay as little as possible for it, and leave the warehouseman with a lot of junk on his hands.

"Our firm," continued Mr. Holt, "sells lots as a whole, mainly to second-hand dealers. We charge a 10 per cent commission. When the owner asks us to sell for him we get sealed bids from five or ten of the leading second-hand furniture dealers of the city, each bid being on the entire lot. We clean and polish the furniture, at cost to the customer; display it attractively; and then call on the dealers for bids. Occasionally we split up the lot, selling, say, all the books to a book-dealer, the china or silver to a dealer in that line, the furniture to another, and so on.

"We put a three-day limit on the bids, and then, without naming the dealer, we submit the best bid to the owner. If he accepts, we deduct our 10 per cent, pay the storage and other charges, and pay the owner the balance. We put the goods on the first floor for display, so that we do not have the labor or trouble of carrying prospective buyers to the upper floors."

"The main point is that methods in this line cannot be uniform, owing to the variation in demand and the difference in the classes of prospective buyers in each community," commented R. J. Bekins, San Francisco. "The percentage basis undoubtedly is best, plus a labor and handling charge to be paid by the customer, who also pays for the advertising."

Annual fumigation of warehouses with cyanide was discussed briefly, and its dangers warned of.

—H. H. Dunn.

At the May meeting of the southern division of the P. C. F. W. A., held at the Elks Club in Los Angeles on the 11th, the Security Van & Storage Co., Inc., Santa Monica, Cal., was elected to membership.

The Kansas City, Mo., plan of estimating was outlined by Rodney S. Sprigg, who urged that it be given serious consideration by the warehousemen of Los Angeles.

The problem of the proper basis for charging for handling was discussed and a show of hands indicated that seven-teen favored charging for handling labor on the basis of the monthly storage rate and five on the basis of actual time consumed. Several members did not vote.

Harry Baskerville, of the Baskerville Auditing Co., addressed the meeting regarding the advantages of maintaining uniform accounts. He expressed opinion that the warehouse industry was one of the simplest, rather than one of the most complicated, in which to determine costs. A suggestion of associational cooperation with the Baskerville firm was referred to the board of directors for consideration and action.

Wisconsin

LEGISLATION being fostered by the Wisconsin Warehousemen's Association was the chief subject of discussion at the organization's May meeting, held in Madison with about twenty members present.

G. J. Hansen, Milwaukee, the legislative committee's chairman, pointed out that the recently-enacted State law relating to taxation of personal property stored in commercial warehouses was subject to interpretation by the Attorney General and the State Tax Commissioner, and that accordingly its effect meanwhile was uncertain. The statute exempts from assessment such property received from railroads or steamships. The Attorney General had rendered an opinion favorable to warehousing, Mr. Hansen said, but a recent report by the Tax Commissioner indicated that some

changes in the law might be presented at the next session of the Legislature.

Discussion indicated that it was considered that the statute should prove of definite benefit to Wisconsin's warehousemen as soon as it became generally known among shippers that goods could be shipped into the State without being subjected to taxes as long as they were in recognized commercial warehouses.

The association went on record favoring enactment of the proposed bond and license bill which has been introduced in the Legislature. If this measure is enacted into law no person will be permitted to act, or purport to act, as a warehouseman in Wisconsin after Sept. 1 next without a license issued by the State Department of Markets. The license fee is set at \$50 and the applicant would be required to give bond in such form and amount, and with such surety, "as the Department finds to be sufficient," each bond to be "conditioned for the faithful performance" of the applicant's duties "as a warehouseman, for the observance of all laws relating to the carrying on of his business as a warehouseman, and for compliance with all general orders issued under this section." Licenses would be required annually, the renewal fee being set at \$25. The Department of Markets would have power to revoke licenses for causes, such as false statements, or failure to furnish bond, or violation of orders, and "the Department may, after public hearing, issue such general orders as are reasonably necessary to assure fair business dealings by warehousemen."

—W. D. Lect.

Notes

AT the May meeting of the Warehousemen's Association of the Port of New York deliveries were reported greater than receipts, labor plentiful and collections fair. The South Eleventh Street Warehouse Corporation, Brooklyn, was elected to membership and thereby automatically became a member also of the New York State Warehousemen's Association.

"Somewhere on Lake Superior" will be the locale of the August meeting of the Minnesota Warehousemen's Association. The members will venture forth on the S. S. Harmonic from Duluth on the afternoon of the 19th, arrive in Port Arthur, on the Canadian side, on the following morning, spend the day at Port Arthur and leave at 5 p. m. on the Harmonic and hold the business meeting aboard that evening, arriving in Duluth at 8 a. m. the following day.

"The MOWA Monthly" has been launched by George C. Dintelmann, St. Louis, recently elected secretary of the Missouri Warehousemen's Association, as the official organ of that State body.

Paul Bekins, Sioux City, recently elected secretary of the Iowa Warehousemen's Association, has begun issuing a series of semi-monthly or monthly bulletins "in an attempt to bring closer contact and cooperation, as well as a method through which the officers, committee

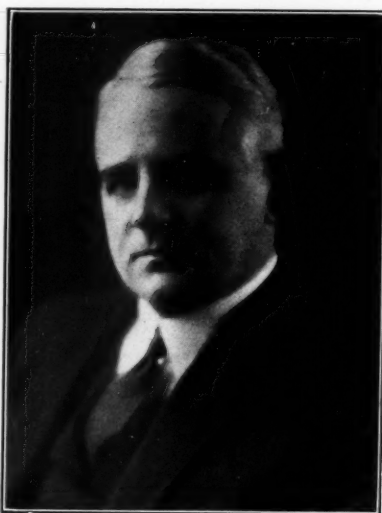
chairmen or any member can bring to the attention of the membership items of interest." The first bulletin announces the appointment, by F. C. Eslick, Mason City, president, of committees the chairmen of which are R. A. Ford, Council Bluffs, membership; J. J. Brady, Fort Dodge, legislative; Charles E. Dragoun, Ames, insurance; A. C. Eslick, Mason City, resolutions; Max Elliott, Waterloo, auditing; Paul Bekins, Sioux City, rate guide and classification.

The new office of Col. Neill H. Banister, field secretary of the Texas Warehouse & Transfermen's association, is 712 Keystone Building, Houston.

Fidelity and 20th Century Are Merged in Philadelphia

TWO of Philadelphia's largest and most important household goods storage firms—the Fidelity Storage & Warehouse Co., 1809-1813 Market Street,

Fred L. Harner



President of new Fidelity-Twentieth Century Storage Warehouse Co., Philadelphia

and the Twentieth Century Storage Warehouse Co., 3120-3124 Market Street—announced on June 1 their consolidation into a new corporation to be known as the Fidelity-Twentieth Century Storage Warehouse Co. The new concern has been formally incorporated with a nominal capitalization of \$5,000. Headquarters has been established at the Fidelity. The Twentieth Century's building and all its physical assets, including the large fleet of moving vans, will be operated by the new corporation, in connection with the Fidelity's big outfit.

Fred L. Harner, who has been president of the Fidelity and who is president of the Pennsylvania Furniture Warehousemen's Association, has been elected president of the consolidated company.

The other officers are: Vice-president, William H. Protzman, who has been vice-president and general manager of the Twentieth Century, and who is a past president of the Pennsylvania F. W. A.; secretary, W. A. Reger, who has been secretary and operating executive of the Fidelity; treasurer, H. Norris Harrison, who has been vice-president and treasurer of the Fidelity; assistant treasurer, William H. Reger; assistant secretary, F. L. Sibley, who has been the Fidelity's manager. The directors are Mr. Harner, Mr. Protzman, Mr. Harrison, and George H. Borst, long identified with the Twentieth Century, and N. C. Fitzgerald.

According to the official statement, the business will be conducted with the same progressive policies that have prevailed in the past. Both companies are well known throughout the warehouse industry, and have been leaders locally in their field, the Fidelity having been in business since 1887 and the Twentieth Century since 1917. Both are members of the National Furniture Warehousemen's Association and of the Pennsylvania F. W. A. The Fidelity is identified also with the American Warehousemen's Association and the Canadian Storage & Transfermen's Association.

Mr. Harner, president of the new corporation, is an N. F. W. A. director. He has been in the business for thirty-one years, all with the Fidelity, with which he had held virtually all the important offices.

Mr. Protzman had been with the Twentieth Century for years, his services also bringing him one office after another.

Cassell Goes to West

Mr. Harrison, who had been with the Fidelity two years, formerly held a responsible position with the Bell Telephone Co. of Pennsylvania. W. A. Reger had been with the Fidelity for a number of years, during which he had the coaching of his father, William H. Reger, who had been with the Fidelity since its start, having held all the chief positions, including those of president and chairman of the board. Mr. Sibley, although comparatively new to the industry, entered the business after wide experience in other lines.

An interesting announcement in connection with the merger is that W. A. Cassell, for the past ten years with the Century company, of which he was secretary, plans to drive across the continent with his family in his motor about the middle of July. He will go to California and will seek a favorable business connection on the Pacific Coast. Mr. Cassell, who is secretary of the Pennsylvania F. W. A., had been contemplating this plan for some months and has had some interesting correspondence of the possibilities of the furniture storage business on the western coast. Of his twenty-four years with the industry, fourteen were passed in connection with private warehousing. His public warehousing experience began with his position as estimator for the Twentieth Century. He expects to arrive in California in September.

State May Tax and Control Interstate Motor Transport

(Concluded from page 18)

join the Commission for enforcing as against them the provisions of the Act. The case was heard in the District Court before three judges on final hearing, under Section 266 of the Judicial Code as amended by the Act of Feb. 13, 1925.

"It appeared that while the Act calls the certificate one of 'public convenience and necessity,' the Commission had recognized, before this suit was begun, that, under *Buck v. Kuykendall*, 267 U. S. 307 and *Bush v. Maloy*, 267 U. S. 317, it had no discretion where the carrier was engaged exclusively in interstate commerce, and was willing to grant to plaintiffs a certificate upon application and compliance with other provisions of the law. See *Cannon Ball Transportation Co. v. Public Utilities Commission*, 113 Ohio St. 565, 567.

"The bill was dismissed. It is here on direct appeal. This Court has jurisdiction, as an interlocutory injunction had been applied for and a restraining order issued. *Moore v. Fidelity & Deposit Co.*, 272 U. S. 317, 320-321; *Smith v. Wilson*, No. 648, decided Feb. 21, 1927.

"The plaintiffs claim that, as applied to them, the Act violates the commerce clause of the Federal Constitution. They insist that, as they are engaged exclusively in interstate commerce, they are not subject to regulation by the State; that it is without power to require that before using its highways, they apply for and obtain a certificate; and that it is also without power to impose, in addition to the annual license fee demanded of all persons using automobiles on the highways, a tax upon them, under sec. 614-94, for the maintenance and repair of the highways and for the administration and enforcement of the laws governing the use of the same.

Control Over Highway

"The contrary is settled. The highways are public property. Users of them, although engaged exclusively in interstate commerce, are subject to regulation by the State to insure safety and convenience and the conservation of the highways. *Morris v. Doby*, No. 372, decided April 18, 1927.

"Users of them, although engaged exclusively in interstate commerce, may be required to contribute to their cost and up-keep. Common carriers for hire, who make the highways their place of business, may properly be charged an extra tax for such use. *Hendrick v. Maryland*, 235 U. S. 610; *Kane v. New Jersey*, 242 U. S. 160; *Hess v. Pawloski*, No. 263, decided May 16, 1927. Compare *Packard v. Banton*, 264 U. S. 140, 144.

"There is no suggestion that the tax discriminates against interstate commerce. Nor is it suggested that the tax is so large as to obstruct interstate commerce.

"It is said that all of the tax is not used for maintenance and repair of the

highways; that some of it is used for defraying the expenses of the Commission in the administration or enforcement of the Act; and some for other purposes. This, if true, is immaterial.

"Since the tax is assessed for a proper purpose and is not objectionable in amount, the use to which the proceeds are put is not a matter which concerns the plaintiffs.

"Plaintiffs urge that the decree should be reversed because of the provision in the Act concerning insurance. The Act provides that no certificate shall issue until a policy covering liability and cargo insurance has been filed with the Commission. Sec. 614-99.

"The lower Court held that, under *Michigan Public Utilities Commission v. Duke*, 266 U. S. 570, this provision could not be applied to exclusively interstate carriers, *Red Ball Transit Co. v. Marshall*, 8 Fed. (2d) 635, 639; and counsel for the Commission stated in this Court that the requirement for insurance would not be insisted upon.

"Plaintiffs urge that because this was not conceded at the outset, it was error to deny the injunction. The circumstances were such that it was clearly within the discretion of the Court to decline to issue an injunction; and since an injunction was the only relief sought, it properly dismissed the bill. Compare *Chicago G. W. Ry. Co. v. Kendall*, 266 U. S. 94, 100-101.

"The plaintiffs did not apply for a certificate or offer to pay the taxes. They refused or failed to do so, not because insurance was demanded, but because of their belief that, being engaged exclusively in interstate commerce, they could not be required to apply for a certificate or to pay the tax. Their claim was unfounded.

"Moreover, the Act made each section and part thereof independent and declared that 'the holding of any section or part thereof to be void or ineffective for any cause shall not affect any other section or part thereof.' Sections 604-102. And the Act also provided that it should apply to interstate commerce only in so far as such regulation was permitted by the Federal Constitution. Sections 614-101.

"It is not clear whether the liability insurance, for which the Act provides, is against loss resulting to third persons from the applicant's negligence in using the highways within the State, or is for loss to passengers resulting from such negligence, or for both purposes. We have no occasion to consider whether, under any suggested interpretation, liability insurance, as distinguished from insurance on the interstate cargo, may be required of a carrier engaged wholly in interstate commerce. Compare *Hess v. Pawloski*, *supra*.

"The decree dismissing the bill is affirmed, but without prejudice to the right of the plaintiffs to seek appropriate relief by another suit if they should hereafter be required by the Commission to comply with conditions or provisions not warranted by law. *

"Affirmed."

—G. H. M.

Smaller Freight Movement Is Predicted for 1927

THE railroads of the United States will move about 52,762,737 carloads of revenue freight this year, compared with an actual movement of 53,308,753 carloads in 1926, according to an estimate made by the Car Service Division of the American Railway Association. No consideration has been given, the division reports, in making this estimate to the possible effects of the Mississippi floods on the total carloadings of the year. The expected decrease this year is due mainly, it is said, to the exceptionally heavy movement of export coal to England in 1926 and to the curtailed output of bituminous coal this year on account of large stocks on hand in anticipation of the soft coal strike.

In its report analyzing the traffic outlook for this year, the division says:

Ample Number of Box Cars

"The supply of box cars in all parts of the country is sufficient to meet all requirements, and distribution is quite satisfactory. As of April 15, the Western roads had 93.8 per cent of ownership of box cars on line, compared with 90.3 per cent a year ago. As of the same date, 642 out of every 1000 box cars owned by the Western roads were on home lines, compared with 625 per 1000 in 1926. The number of Western box cars on Eastern lines was the lowest ever recorded at this season of the year. There has been maintained a constant flow of Western box cars to home lines through Chicago and St. Louis from Eastern territory, this being a fundamental necessity if the box car supply in the West, the home of the grain crops, is to be maintained.

"Bituminous coal production in the first three months of 1927, intensified by the anticipated suspension in the soft coal fields, was 169,967,000 tons, the highest on record for that period. Production since April 1 has been about 8,000,000 tons weekly, or about 1,250,000 tons less than the previous year. That the lack of demand for soft coal is real and not fancied is demonstrated by the fact that the railroads are holding in excess of 26,000 cars of unbilled coal on mine sidings awaiting instructions.

"Demands for open-top cars for the handling of steel, sand, stone, and gravel will be at least as heavy as in 1926, and in all probability slightly heavier. No difficulty is anticipated in handling the 1927 open-car requirements. There has been an ample supply of refrigerator cars at all times."

Emerson Retires

Carroll M. Emerson resigned on June 1 as treasurer, manager and operating executive of the Richards Storage Corp., Grand Rapids, Mich.; as manager and operating executive of the Shank Storage Co., Grand Rapids; as vice-president and general manager of the Richards Storage Corp., Muskegon, Mich.; and from connection with the Kalamazoo interests of the Richards firm.

Old Family Album Unfolds Career of Raymond B. Chapin

(Concluded from page 40)

of the eastern and foreign exhibitors for him to store their packing cases for them while the fair was in progress. These occupied 80 per cent of the available floor space during the period of the exhibition, and after that the exhibits had to be packed.

With the revenue gained from the fair, Mr. Chapin succeeded in establishing credit at a local bank. So he continued to carry on business at the original location for five years. Then he moved to Thirteenth Street to engage in the moving and storing of both merchandise and household goods. Here he built up a substantial warehouse and cartage business, but at the end of four years he decided to go out of the merchandising end of the business and concentrate on household goods.

In accordance with that decision he erected a new warehouse, said to be the only fireproof depository of its time, at Fifteenth and Kearney Streets, and here he conducted a lucrative business until Feb. 1, 1926, when he moved to his present location, on East Broadway at Benton Street.

The present home of the Portland Van & Storage Co. is a thoroughly modern fireproof structure 95 by 100 feet, with 40,000 square feet of floor space. Curtains of shot silk drape the windows of the long marble reception room on the ground floor front, and a cheery fire takes the chill out of the atmosphere.

Mr. Chapin is an active member of the National and Pacific Coast associations and is deeply interested in the advancement of the industry. He was one of the organizers of the Portland Draymen & Warehousemen's Association, of which he served six years as president.

In addition to his moving and storage activities Mr. Chapin has, of late, begun to specialize extensively in intercity freighting, believing that long distance moving and the necessary development of highways will materially broaden the zone of operations for warehousemen. Toward this end four of the large Pacific Coast warehouse companies have incorporated for the handling of household goods exclusively, operating a fleet of trucks that makes regularly scheduled runs between Portland, Ore., and Vancouver, B. C. The organization embraces Fred Crone, Vancouver; Dean C. McLean, Tacoma; R. C. Miller, Seattle and Mr. Chapin, who owns eight of the vans engaged.

This special service makes it possible for a truck to back up to the door of a house in one city and load books, dishes, furniture, etc., into crates and packing boxes which are not lifted again until moved into the new home in some far distant town. That this development of the moving industry has done much to improve the condition of the highways goes without industry and Mr. Chapin predicts that within a very few years all household goods will be handled by

motor vans on moves within a radius of 400 miles. Going further than that, in his opinion, depends upon the development of the vans themselves.

That does not mean that the warehouse industry does not still have its problems, however, and one of the greatest of these, to quote Mr. Chapin again, is the question of pay loads on the return journeys of long distance trucks. This, Mr. Chapin declares, is one of the biggest questions confronting warehousemen today and one on which he himself is concentrating with the same determination that has helped him to build up his business from three shaggy stock yard horses to its present renumeration proportions.

Jenkins Wins in Patent Case

Edward T. Jenkins, president of the Long Island Storage Warehouses, Brooklyn, and who invented and developed the removable body—for storage and removal of household goods—that was described by him at the Augusta convention of the National Furniture Warehousemen's Association, has been awarded priority of invention, under a decision rendered by the Patents Office in Washington recently.

The Patent Office ruled that Rosman & Ario, who had disputed Mr. Jenkin's priority, failed to sustain the burden of proof resting on them. It was declared that the Brooklyn storage executive's evidence "stands unimpeached as to any material facts."

Federal of Tulsa Reorganizes

The Federal Storage Co., Tulsa, Okla., has reorganized under the name Federal Storage & Van Co. C. D. Coggeshall, who was the operating executive, has been made president. D. Coggeshall is vice-president, and E. Ross Allen is vice-president in charge of operation.

Mr. Allen recently purchased a half-interest in the company and has had considerable experience both in warehousing and in traffic work. His past connections have been with the Irving Pitt Manufacturing Co., Kansas City, Mo., as traffic manager; with the Adams Transfer & Storage Co., Kansas City, in merchandise warehousing, and with the Perky Bros. Transfer & Storage Co., Kansas City, in household goods warehousing. The Federal company is engaged in both of these branches of the storage business, as well as in local and long distance removals.

Bannister Escapes in Crash

Col. Neill H. Bannister, Houston, field secretary of the Texas Warehouse & Transfermen's Association, escaped injury recently when his airplane was wrecked while he was on his way to his ranch near Rock Springs, Tex. Col. Bannister's mother and sister and brother were on the ranch, which was in a cyclone area, and he was en route to learn their fate. They were not hurt.

Cold Storage Stocks Were Relatively Heavier June 1

COLD storage holdings of meats, eggs and poultry on June 1 were larger than on the same date last year, but stocks of creamery butter and American cheese were in smaller volume, according to the June cold storage report of the Bureau of Agricultural Economics, United States Department of Agriculture, Washington.

A marked increase in the supply of frozen pork is reported, stocks of this commodity aggregating 211,496,000 lb. on June 1, against 117,366,000 lb. on June 1 a year ago.

Total meat stocks in storage, including frozen beef, frozen pork, frozen lamb and mutton, cured beef, dry salt pork, pickled pork and miscellaneous meats, are reported at 899,670,000 lb. against 676,781,000 lb. last year.

Creamery butter supplies are lower than at this time a year ago, being 25,340,000 lb. on June 1 against 30,561,000 lb. last June.

Stocks of American cheese are given at 35,780,000 lb. against 39,346,000 lb. last year.

Holdings of case eggs are reported at 9,096,000 cases, against 7,236,000 cases on June 1, 1926.

Total stocks of frozen poultry, including broilers, fryers, roasters, fowls, turkeys and miscellaneous poultry, are reported at 61,488,000 lb. against 42,808,000 lb. last year.

There were 227,000 barrels of apples in storage June 1 against 221,000 barrels last June, and 724,000 boxes against 1,104,000 boxes.

Jackson to Have Seventh Unit

The Jackson Storage & Van Co., Chicago, is building another unit, located on Twenty-second Street at Central Park Avenue. The completion of this structure will give the company seven storage warehouse in Chicago and its suburbs to the west.

The front elevation of the new building is to be of white terra cotta and cream-colored brick. Just above the entrance the company's trade-mark will be worked out in red and green and gold. The structure will be flood-lighted at night from a battery of lights directly across the street.

Back of the warehouse is a large garage which will house the company's motor equipment. From the garage, because of its central location, most of the Jackson equipment will be dispatched.

The building will be used for storage of household goods.

C. A. Hall Recovered

Charles A. Hall, president and general manager of the Charles A. Hall Co., Inc., New York City, household goods forwarders, returned to his desk in the Whitehall Building in June after an absence of about two months. He had spent six weeks in a hospital.

Life of Walter C. Gilbert Told in Old Family Album Sketch

(Concluded from page 41)

value, while some of them brought in a return of not more than 10 per cent.

There were other mistakes, too, Mr. Gilbert recalls—so many that it is hard now to tell which was the worst. The vans and horses necessary to the storage business were bought with the accounts and notes were given for them. Sometimes he had the money to meet them, but usually he got by with a small payment and the interest—one's father-in-law is apt to be lenient. Once, however, he tried to borrow \$200 at the bank, but the bank would not lend it to him. Later the same bank was pleased to make a loan of any amount—but that is another story.

Mr. Gilbert's first departure from horse-drawn vans also proved a disastrous experience. His first motor truck was a couple geared four wheel drive on which was placed a steel body built by Dill Brothers, in Philadelphia. The outfit costs \$6,000. With an additional expenditure for operating costs and up-keep amounting to \$7,000, he managed to earn \$4,000 with it the first year. At the beginning of the second year he sold it for \$900. The Gilbert warehouses later were served by Fords and then by Packards, of which they now operate four in conjunction with two electric trucks. These latter, Mr. Gilbert declares, are cheaper—both the original cost and the up-keep—but they can be run only about forty miles without re-charging.

The original warehouse purchased by Mr. Gilbert still is operated by him at 211-213 East 100th Street, but the main office now is at 39-41 West Sixty-sixth Street in a six-story and basement building 50 by 100 feet, rented by the Gilbert company in 1924. The old structure also is 50 by 100 feet, and is five stories high.

Mr. Gilbert now has associated with him, as vice-president and general manager, his son, Barrett C. Gilbert, who attends the warehousing conventions almost as frequently as does his father. Miss Mattie S. Tomlinson is secretary and treasurer of the firm after having been an employee for the past eight years.

Besides being a past president of the New York F. W. A. with two terms to his credit, Mr. Gilbert is a senior past president of the New York Rotary Club, a 32nd degree Mason and a Shriner.

"Go into the warehouse business again?" he asks in answer to a question. "Of course I would—even when I remember how hard we used to work. Why, I remember when a crew of men used to go out and bring in six or seven loads of storage in a day, working from 4 a. m. until midnight—and liking it. I even recall one time when one of our men, hauling a piano to Coney Island, drove into a cesspool, piano and all. The instrument had been swung out of an upper-story window on Seventh Avenue at 7 in the morning. After its

dip it was fished out, laundered, mud wiped off, and by 9.30 p. m. it was delivered at its destination in Coney Island apparently none the worse for wear. That was back in 1903. Business was always good then."

Business still is good—at least the warehouse business is, if one may draw conclusions from the way Mr. Gilbert sums it up.

"It may not be the most profitable in the world," he declares, "but it is always enjoyable—full of diversions. A business that makes one a keen judge of human nature, because one has a chance to study all sides of life."

The life that he enjoys studying also seems to have been kind to Mr. Gilbert. He occupies an important niche in the industry and enjoys the reputation of thoroughly living up to the code of ethics of the National Furniture Warehousemen's Association. Looking toward the future, he is making plans for a new warehouse.

"Nothing new-fangled or experimental"—Mr. Gilbert is speaking again—"Just a good, substantial warehouse, but big enough to take care of our business."

Had General Grant (Sherman, or who have you?) been obliged to build a warehouse somewhere between Atlanta and the sea, one imagines that it would be that kind of a warehouse—just good and substantial.

Which may or may not prove that fighting things out along the same lines may often be the best way after all.

New Graham Truck Engine

Announcement is made by Dodge Brothers, Inc., Detroit, that "a new, greater performing four-cylinder engine" is now being built into Graham Brothers motor trucks, resulting in "more power, greater speed throughout the range of usual operation, quicker pick-up, and smoother, quieter operation at all speeds," at the same time actually operating on less gasoline, due to two reasons—"the improved vaporization of gasoline due to the design of the new intake and exhaust manifolds with 'hot-spot' and to the new combustion chamber with sloped head." The new engine is fitted with "a sturdy, heavy-duty transmission and a large single-plate clutch, both designed for truck service."

Springfield, Ohio, Blaze

Fire of undetermined origin wrecked the warehouse of the Hodge Storage & Cartage Co., Springfield, Ohio, on the night of June 2. The blaze started apparently in the workmen's dressing room. The damage was estimated at \$150,000, according to The Associated Press.

Buck Co. Has New Plant

The C. A. Buck Transfer & Storage, Burlingame, Cal., has moved into its new fireproof warehouse containing 10,000 sq. ft. of floor space.

Drayage Corp. Inaugurates Store-Door Delivery Service

OF particular interest to shippers of freight to and from cities on San Francisco Bay, and to warehousemen and distributors there and in the East, is the announcement by the Drayage Service Corporation, Oakland, of a store-door delivery service in conjunction with its daily consolidated merchandise cars between San Francisco on one side of the bay and Oakland, Alameda, Emeryville, Berkeley, Albany, Richmond, Piedmont and Elmhurst, on the mainland side. The Drayage corporation operates considerably more than one hundred semi-trailers, trailers and trucks in handling general merchandise and all kinds of hauling, both heavy and light, in more than a dozen cities and towns around the bay.

Through its advantageous location in Shed G of the Southern Pacific Co. on Berry Street, between Third and Fourth Streets, San Francisco, the corporation is so situated with respect to the San Francisco waterfront and the jobbing district, as well as railroad depots, that it eliminates a long haul to the north side, serves all the south side, and avoids congestion on the heavy-traffic arteries, thus giving quick delivery from car door or shipside.

Spur-track facilities have been made available for an eight-car spot, enabling the Drayage Company to handle all freight offered with promptness and to save truck operators idle hours. A substantial reduction in freight rates between San Francisco and the cities on the mainland side of the bay accompanies the announcement of the store-door delivery, with an overnight service guaranteed. Incidentally, the store-door delivery service at the L. C. L. railroad rates completes the traffic cycle by closing through this enterprise a gap which has existed and has been deplored by distributors for many years.

Distribution on the mainland side of the bay is made from the Drayage Company's new terminal at Eighteenth and Campbell Streets, Oakland, where modern facilities have been installed.

New Leonard Unit Planned

The Leonard storage interests in Detroit are planning to add another warehouse to their group. The structure will go up in the northwest section of the city. Arthur A. Leonard, president of the Leonard-Detroit Storage Co., made the announcement in a talk at the annual meeting of the Illinois Furniture Warehousemen's Association in Chicago on June 20, stating that Frederick Stanton, Chicago architect, had been engaged to design and supervise construction of the new plant.

Stevens to Build

The Henry H. Stevens Storage, Flint, Mich., operating household goods warehouses, will shortly start construction of another unit, which will add 30,000 sq. ft. of floor space to the present facilities.

Further Responses to the Flood Rehabilitation Appeal

FURTHER action taken by warehousing's trade associations in response to the plea wired by the Greenville Storage & Transfer Co., Greenville, Miss., for the industry's support of rehabilitation of the South's flood-devastated area, is indicated in letters received in June by *Distribution and Warehousing*.

As announced in the June issue, the Greenville company telegraphed *Distribution and Warehousing* requesting that the industry's State associations wire their Senators and Representatives in Congress to pledge themselves to telegraph President Coolidge that they would enact legislation validating any action he might take to make available through the Red Cross a minimum fund of \$300,000,000 for flood rehabilitation. This request from the Mississippi company was sent forward at once by *Distribution and Warehousing* to the head executives of thirty-two national, sectional, and State associations with the comment: "Our conviction warehousing should support Greenville plea." The immediate responses by several of the trade body presidents were set down editorially in the June issue, and that record may now be supplemented as follows:

Schuyler C. Blackburn, Kansas City, president of the National Furniture Warehousemen's Association, writes that he expects to place the situation before the National's board of directors at the organization's semi-annual convention, at Mackinac Island, Mich., in July. "I am thoroughly in sympathy with a full measure of relief that will do all that is humanly possible for the sufferers," Mr. Blackburn said in part, "and I think it is the Government's solemn duty to see that nothing is overlooked."

Mr. Blackburn, upon receiving *Distribution and Warehousing's* wire, took the problem up with all of the National's directors, and he reports that most of them believed as he did—that probably every Senator and Representative had already given the flood situation much thought, and had in most instances notified President Coolidge of their intended support of necessary measures to meet the emergency. "I believe we can safely leave it to our Congressmen and President Coolidge to provide all funds that will be necessary," to quote Mr. Blackburn further.

Ralph J. Wood, Chicago, as president of the Illinois Furniture Warehousemen's Association, placed the situation before that organization's meeting on May 23 and appointed a special committee "to take this matter up and get some action." Mr. Wood adds in his letter:

"This will be done. It may interest you to know that the I. F. W. A. voted a subscription of \$250 to the Red Cross for the benefit of the flood victims."

The committee appointed by Mr. Wood comprised F. E. Westfall, A. H. Hollander, E. C. Iredale, Thomas A. Jackson and Robert S. Fulsang, all of Chicago.

J. R. McAuliff, Chicago, secretary of the Illinois association, sends a copy of the following resolution adopted at the May meeting:

"Whereas large portions of the Mississippi Valley have suffered a great tragedy, resulting in the loss of life and homes, and whereas, in addition to the immediate necessities which are being

"Who Owns the River?"

THE following verse, by Douglas Malloch and bearing the above title, is reprinted from *American Lumberman* by permission. It was sent to *Distribution and Warehousing* by the Douglas Public Service Corporation, Inc., New Orleans.

The river belongs to the nation.
The levee, they say, to the state;
The government runs navigation,
The commonwealth, though, pays the freight.
Now, here is the problem that's heavy—
Please, which is the right or the wrong?—
When the water runs over the levee,
To whom does the river belong?

It's the government's river in summer
When the stage of the water is low,
But in spring when it gets on a hummer
And starts o'er the levee to flow;
When the river gets suddenly dippy
The state must dig down in its till
And push back the old Mississippi
Away from the farm and the mill.

I know very little of lawing,
I've made little study of courts,
I've done little geeing and hawing
Through verdicts, opinions, reports;
Why need there be anything more said
When the river starts levees to climb?
If the government owns the aforesaid
It must own it all of the time.

If the bull you are leading should bellow
And jump over somebody's fence,
There isn't much doubt you're the fellow
Expected to bear the expense;
If it follows a Sunday school teacher
And chases the maid up a tree,
You're the owner the same of the creature
Undoubtedly all will agree.

If some time should somebody's chickens
Get into your garden and dig
And pull up the plants like the dickens,
Or somebody's bull pup or pig;
The owner thereof cannot blame it
On you or some party remote;
The owner thereof can't disclaim it
The chick or the pup or the shoat.

If it's your Mississippi in dry time,
It's yours, Uncle Sam, when it's wet;
If it's your Mississippi in fly time,
In flood time it's your river yet.
There's no other way you can make it,
And so, when I give the alarm,
Come get your darned river and take it
Away from my timber and farm!

provided for by the American Red Cross, the greater problem of rehabilitation and restoration is vitally necessary, therefore be it

"Resolved, that this association urge upon the President of the United States, the Senators and Congressmen of our State, the full support for a Congressional appropriation that shall be adequate to restore the citizens of the stricken district to their homes and the pursuit of their livelihoods."

This memorial was sent forward to President Coolidge and the Illinois Senators and Representatives.

(Concluded on page 53)

Inter-State Will Appeal Court Ruling in Tax Case

WIDESPREAD interest is shown in the test case against the Inter-State Forwarding Co., Dallas, now pending in the local Courts, in which R. A. Vineyard, county tax assessor, is seeking to assess and collect State and county taxes on goods and merchandise which the Inter-State has stored in its warehouses. The value of these stocks is estimated at \$20,000,000.

On the final decision in this case will depend the outcome of ten similar actions which have been filed in the District Court in Dallas by the district attorney. All these cases are against warehousing and forwarding concerns.

Under a ruling by the Fifth Court of Civil Appeals at Dallas the Inter-State Forwarding Co. will be required to appear in Court with a list of property stored in its warehouses and show cause, if any, why the list should not be turned over to Mr. Vineyard so that he may assess taxes for 1927.

The Inter-State Forwarding Co., which had appealed to the higher Court in an effort to avoid appearing in the District Court with the list of property stored in its warehouses, was informed that the appeal was premature and that the Appellate Court as yet had no jurisdiction.

These suits, if successful, will add \$135,000 to the treasury of Dallas County this year, according to Tom C. Clark, assistant district attorney in charge of civil matters, who brought the actions on behalf of Mr. Vineyard.

Mr. Clark announced that similar actions probably would be begun in Houston against warehouse companies there. The Harris County tax assessors have been watching the Dallas situation closely.

The Inter-State company's case was handled by C. W. Starling of the law firm of Carden, Starling Carden & Hemphill. Virtually the entire day was spent in arguing the constitutionality of the law, counsel for the Inter-State setting up the following contentions:

1. That the law was vague, uncertain and indefinite.
2. That it violates the constitutional provision in reference to search and seizure.
3. That is sought to curtail the liberty of speech and the corresponding liberty of silence in contravention of the State Constitution.
4. That it grants certain privileges to bailees of property not enumerated in the Act, such as banks and trust companies having safety deposit vaults, contrary to the State Constitution.
5. That it was discriminatory and vests the right of discrimination in the tax assessor in that if the tax assessor did not make demand for the list he could excuse anyone he wished from the provision of the law.
6. That it took from the defendant his property for public use without provision being made for adequate compensation, contrary to the State Constitution.
7. That it took the defendant's prop-

(Concluded on page 53)

Further Responses to the Flood Rehabilitation Appeal

(Concluded from page 52)

Paul W. Frenzel, St. Paul, president of the Minnesota Warehousemen's Association, writes that the following letter was sent by George A. Rhame, Minneapolis, the organization's secretary, to Minnesota's two Senators and ten Representatives:

"At a meeting of the members of the Minnesota Warehousemen's Association, held on May 23, it was recommended by the board of directors that, through its secretary, it formally urge you to wire President Coolidge at your earliest convenience pledging your support in enacting legislation validating any action he takes toward rehabilitating the flooded areas in southern States. At a meeting of the board of directors on the same date the recommendation was unanimously carried."

Mr. Frenzel writes:

"We have received replies from a number of the Senators and Representatives which indicate that our southern friends will have their sympathetic and hearty support to the end that the rehabilitation of the devastated country shall be both speedy and thorough."

Col. Neill H. Bannister, field secretary of the Texas Warehouse & Transfermen's Association, writes that the Texas organization's executives communicated with the State's Senators and Representatives "urging them to wire the President they will enact validating legislation covering any action he will take making available to the Red Cross reasonable and necessary funds for rehabilitation." Colonel Bannister adds:

"The warehousemen of Texas fully realize the gravity of the situation and recognize the moral responsibility of this Government to afford prompt and proper relief. We feel that our Senators and Representatives will accede in this."

As outlined in the June issue, affirmative action was taken by the New Jersey Merchandise Warehousemen's Association, of which D. R. Crotsley, Newark, is president; the Nebraska Warehousemen's Association, of which W. W. Koller, Omaha, is president; the Washington State Warehousemen's Association, of which C. C. Cater, Spokane, is president; and the Wisconsin Warehousemen's Association, of which John Groom, Jr., Milwaukee, is president. Following the Wisconsin organization's Madison meeting, at which the Greenville company's plea was discussed, on May 21, Willis D. Leet, Chicago, *Distribution and Warehousing's* western manager, sent the following telegram to the Greenville company:

"At meeting of Wisconsin Warehousemen's Association motion unanimously carried urging Wisconsin Senators and Congressmen to support Coolidge immediate Government rehabilitation program. Members request me to advise you this action and express their assurance of continued and sympathetic interest in relief and rehabilitation program."

C. A. Winslow, Watertown, president of the New York State Warehousemen's Association, wired New York's two Senators and several of the State Representatives. Mr. Winslow writes:

"I am glad to be able to report to you that I received replies from each of them in which they very generously offered to support anything that might be brought up along that line and their letters were all very favorable, the only provision being made by Senator Wagner, that there be no extra session of Congress called for this proposition."

It is to be noted that the Greenville Transfer & Storage Co. did not ask for a special session of Congress, but was content to let action emanate from "the next regular session."

Meanwhile inquiry developed that the Mississippi flood conditions adversely affected the merchandise warehouse industry. Jay Weil, vice-president of the Douglas Public Service Corporation, New Orleans, describes the situation as follows:

"The towns normally in our trade territory have been under water and their ex-inhabitants are being supplied with food and necessities from some nearby points. This, of course, was largely a matter of expediency. There was no time to get supplies to them from New Orleans in many cases and the refugees had to be cared for immediately. I am happy to say, however, that the waters have receded rapidly and that rail connections with the flooded area have been practically reestablished in every instance. This means that the movement of merchandise, inbound and outbound, is about back to normal at this moment, June 18.

"What you ought to do in your very valuable publication is to help out by pleading for national control of the Mississippi, its tributaries and its problem. The Mississippi is a national artery of commerce of the greatest importance to the nation. Here, at its mouth, we are forced to care for the flood waters of some sixteen States, and it is impossible for us to handle the situation financially."

"Mr. Hoover estimates that the total property damage from this flood will run between \$300,000,000 and \$400,000,000. It would not cost more than that to rebuild the levees and provide spillways and reservoirs or to take care of whatever plans the engineers decide are feasible and workable."

"Congressman O'Connor of Louisiana has a flood relief and control bill now on the docket that deserves the support of every thinking man."

"The time has passed when a disaster of this character can be considered in terms of local loss or damage. Your pocketbook in New York as well as the pocketbook of every man in San Francisco or Seattle is going to be affected by the floods this year, and don't you forget it."

The warehouse business in Jackson, Miss., was not directly affected by the flood, according to J. P. Ricks, owner and general manager of the Ricks Storage & Distributing Co. of that city.

Inter-State Will Appeal Court Ruling in Tax Case

(Concluded from page 52)

erty without due process of law and denied the defendant the equal protection of the law, contrary to the Fourteenth Amendment of the Constitution of the United States.

8. That it imposes unreasonable burdens upon interstate commerce, contrary to the Federal Constitution.

The Court overruled all these contentions and ordered that the list be prepared. The Inter-State gave notice of appeal and, under the law, is allowed thirty days in which to prepare bond to supersede the order and appeal therefrom.

Commenting on the case, Col. Neill H. Bannister, Houston, field secretary of the Texas Warehouse & Transfermen's Association, said:

"Present at the trial were some representatives of tax assessors' offices in other counties. It is most likely they will return home and cause suits to be filed in their respective counties. By reason of press notices of loss of the case in the first Courts, and by reason of misconception of the issues therein adjudicated, assessors in other counties may file suits against warehousemen, seeking to compel them to furnish the lists in question."

"Therefore it would be wise and expedient for warehousemen to be on the watch for any signs of such filings, and it would be well for the industry in all large cities, and in any counties where this may occur, to go into committee and have frank and fair discussion of this matter with local tax authorities, advising them of the progress of the Dallas suit and requesting that, to avoid unnecessary expense and litigation, they hold up filing any suits until the case in Dallas has been adjudicated."

"This matter certainly has by this time become of State-wide interest to warehousemen, and it is far better to get it adjudicated in the one suit originating in Dallas County, with members of the industry contributing proportionately to test the matter out in one suit, than for a great number of have to bear the burden of numerous such suits in various Courts in the different counties of the State."

J. K. Walker Weds

John Knox Walker, secretary and operating executive of the O. K. Storage & Transfer Co., Memphis, Tenn., and Miss Virginia LaNieve, of Memphis, were married on June 11.

Refrigeration Congress Postponed

The Fifth International Congress of Refrigeration which was to have assembled in Rome, Italy, in September, will not meet until April, 1928.

Outline of the Defense of the Security Storage Co. In Action Brought by Publication Division, International Transportation Association, Inc.

Distribution and Warehousing's
Washington Bureau,
428 Munsey Building.

A CAREFULLY drawn plea has been filed by the Security Storage Co., Washington, D. C., in the Municipal Court of the District of Columbia in opposition to the suit for \$50 instituted against the storage company by the Publication Division, International Transportation Association, Inc.

In its declaration, which was filed several weeks ago, the International Transportation Association alleges that the sum is due from the storage company under a contract which bound the storage company to pay \$50 for a listing in its manual recently published.

Great care was taken in the preparation of the defensive plea, indicating that the storage company, of which Clarence A. Aspinwall is president, intends to fight the issue to a finish in the Courts. The pleading makes frequent references "to many other warehousemen throughout the United States" who, it is alleged, were misled by the International Transportation Association's plan of securing advertising.

As far as can be learned this case will be one of the first of several to come to trial; and, as it will probably be followed by others in which warehousemen approved listings for the International Transportation Association's publication, counsel for the Security Storage Co. decided to file a written plea instead of the more informal oral plea which is permitted under the practice of the District Municipal Court.

Four paragraphs are contained in the plea, which was prepared by Attorney Paul E. Lesh of the firm of Peele, Ogilby and Lesh. The first denies the corporate existence of the Publication Division, International Transportation Association, Inc. The second paragraph states that the Security Storage Company "did not contract to pay for, nor order, an advertisement to be published by the plaintiff." The third paragraph refers to the paper bearing the signature of Charles W. Pimper, vice-president and treasurer of the storage company, which was placed under the corrected listing, and states "that the paper writings so obtained, of which that sued on herein is one, were void for fraud." Lastly, it is stated that the sum of \$50 is not the reasonable value of the "paragraph description" claimed for.

The issues raised by the plea involve the fundamental laws of contract, and the allegation of fraud is raised only incidentally to more important issues. Briefly, it is denied that there at any time existed a contract between the parties, thus placing the burden of proving the elements of contract upon the International Transportation Association. It is contended that by signing the paper on which was pasted the Security Storage Co.'s listing the vice-president simply approved the correctness of the

description and did not intend to enter into a contract with the sender.

The salient facts are set out in the affidavit of defense by Mr. Pimper, which was filed with the plea.

After stating that Mr. Pimper is vice-president and treasurer of the storage company, the affidavit says:

"That the bill heretofore rendered against the defendant on account of the transaction herein involved claimed a debt in the name of the 'International Transportation Assn.,' not the 'Publication Division, International Transportation Association, Inc.' That the defendant has had no dealings with plaintiff other than those in this transaction, and the defendant is without information as to whether there are two corporations, one by each of the aforesaid names, or as to the correct corporate title of the plaintiff, nor as to whether the plaintiff is in fact a corporation.

"The deponent is advised that the transaction between the defendant and the plaintiff did not amount to a contract for an advertisement to be published by the plaintiff, nor an order for such an advertisement. What occurred between the plaintiff and the defendant was the following:

"The defendant conducts a warehouse business. The paper writing which the defendant signed and upon which the plaintiff sues was a form prepared by the plaintiff on which to reply to, and which accompanied a letter sent by the plaintiff to the defendant, which letter informed the defendant that the plaintiff proposed to list the warehouses of the world in the next issue of a transportation manual of the plaintiff, which the plaintiff's letter referred to as a 'reference work,' and that plaintiff inclosed a clipping regarding defendant's business which plaintiff asked defendant's authority to rewrite and publish. Said clipping was in fact taken from a copyrighted publication in which the defendant's business was listed and described without cost to the defendant, and said clipping was pasted on the paper which was the form for a reply which the defendant was asked to verify and return. Plaintiff in said letter requested said defendant to make any necessary marginal corrections or additions to the information contained in said clipping and return it to the plaintiff. Defendant, being intentionally on the part of the plaintiff induced to believe by said letter and by the arrangement of the printed matter upon the inclosed form upon which the clipping was pasted, and in fact believing, that defendant's correction of said clipping and verification thereof would constitute a granting to the plaintiff of permission to rewrite and publish the information contained in said clipping as corrected and would constitute a compliance by the defendant with the plaintiff's request for corrected data, in answer to said letter corrected said clipping and signed and returned the form to which it was

attached. The deponent says that defendant's said compliance with plaintiff's request was without any intent on the part of the defendant to make a contract with the plaintiff, or to bind the plaintiff to publish an advertisement for the defendant, or to do any other thing for the defendant, nor to bind the defendant to pay any sum of money therefor, or to do any other thing for the plaintiff. And the deponent says that it is the claim of the plaintiff on which this action is based that the correction, signing and returning of said clipping and form constituted an acceptance of an offer to make a contract, and that the offer so now relied on by the plaintiff was not the letter above described but was one contained in small type in an oblong block printed on the upper part of the right hand side of the letterhead at the top of the form to which said clipping was pasted. Said oblong block of small type was placed somewhat diagonally on the form, exactly corresponding in size, shape and angle to a drawing of a book printed on the upper left hand corner of said form, the two diagonal blocks together being obviously intended to appear to be merely balanced ornamentations on either side of the lettering in much larger type announcing the business of the plaintiff. Said 'offer' printed in said diagonal block contained the only reference in said two papers to the payment of money to the plaintiff and referred to payments by the 'advertiser.' Said 'offer' was addressed to no person, whereas the letter which the plaintiff led the defendant to believe defendant was answering was addressed to defendant by name, and did not, nor did anything printed elsewhere than in said block, refer to the defendant as 'advertiser' or proposed 'advertiser.' And the deponent says that in correcting and signing said clipping and form and in returning the same, defendant did not intend nor desire to become an advertiser in plaintiff's publication, nor to accept any offer or comply with any request made by the plaintiff excepting that addressed to it by name in the aforesaid letter as above stated.

"And the deponent is advised that defendant has a further just defense to the action of the plaintiff upon the ground of fraud, the said fraud consisting of the sending to the defendant and many other warehousemen throughout the United States of papers consisting of letters addressed to said warehousemen inclosing said form, which letter and form appear on the face thereof to have been contrived with intent to deceive the defendant, and other warehousemen to whom similar communications were sent, into believing that all that was being requested by the plaintiff was information and authority to use it, whereas said form when signed constituted the semblance of a contract.

"And the deponent is further advised
(Concluded on page 55)

McDougall's Merger Plan Incorporates in Michigan

THE Michigan Public Utilities Commission has accepted articles of incorporation of the Terminal & Transportation Corporation of America, and has granted the organization's petition to issue stocks and bonds amounting to \$9,700,000. As outlined in the June issue of *Distribution and Warehousing*, the corporation represents an amalgamation of storage and transportation interests in Duluth, Chicago, Buffalo, and Detroit, with head offices in the latter city.

A. Miller McDougall, who heads the new corporation as president, has removed from Duluth, where he is president of the McDougall Terminal Warehouse Co., to Detroit, where the new organization has absorbed the Detroit Railway & Harbor Terminals Co., headed by Mason P. Rumney. Mr. McDougall was quoted in a Detroit newspaper as saying:

"This enterprise is not so startlingly radical as first glance might indicate. It is merely a move to give the Great Lakes region the advantages of its geographical location, and every step has been thoroughly tried out in advance.

"We are glad to be able to say that we have the cooperation of the railroads with which our service links, and it is a hopeful sign of the times that the railroad executives of broad vision see that waterways are, and increasingly will be, an indispensable supplement to shipment by rail.

Detroit New World Port

"We are all practical, experienced lake transit and storage men, and we know precisely what business awaits us and how to handle it. Up to the present, Minneapolis and St. Paul have actually taken more advantage of lake transportation than the sections bordering on deep water. Detroit does not have to wait for the St. Lawrence waterway—this is now and henceforth a world port."

The directors, besides Mr. McDougall, of the Terminal & Transportation Corporation of America, are announced as follows:

Arthur H. Buhl, president of the Buhl Sons' Company, Detroit; Donald S. Kiskadden, vice-president of the Buhl Land Co., Detroit; Harry S. Covington, vice-president of the National Bank of Commerce, Detroit; Howard Marfield, president of the Bank of America, Chicago; George P. Rea, vice-president of the Manufacturers & Traders-Peoples Trust Co., Buffalo; John H. Baker, of Baker, Trubee & Putnam, Inc., Buffalo; Mason P. Rumney, president of the Detroit Railway & Harbor Terminals Co.; S. R. Kirby, vice-president of the Northern National Bank, Detroit; Arthur H. Gilbert, of Spencer, Trask & Co., Chicago; Huston Rawls, of Howe, Snow & Bertles, Inc., Detroit, and David A. Warner, of Travis, Merrick, Warner & Johnson, Grand Rapids.

The vice-presidents are Mr. Kiskadden, Mr. Rawls, and Mr. Rumney. Harry S. Covington is secretary-treasurer and

Gordon Paterson, New York, is assistant to the president.

The project for the development of terminal and transportation facilities in various cities will involve \$20,000,000, according to Mr. McDougall, part of which is being raised through the sale of \$5,000,000 bonds by Detroit and Chicago financial syndicates.

Meisenbach a Sea Scout Chairman

K. K. Meisenbach, president of the American Transfer & Storage Co., Dallas, has been made chairman of the Sea Scout department of the Dallas Council of the Boy Scouts of America. Following an elementary training course for Scout leaders he will be in direct charge of the development of the local Sea Scout program.

Bay State Truckmen Plan Mutual Liability Insurance

MOTOR truck owners in eastern Massachusetts, chafing under the State's compulsory insurance law with its high rates, plan to form a mutual liability insurance corporation as an answer to the inability of the Insurance Commissioner to reduce the premiums at the present time.

A committee from the Motor Truck Club conferred with Insurance Commissioner Monk on June 20, and the Commissioner showed that under the law any rates put into effect had to go through for an entire year. The truckmen pointed out the unreasonableness of having to pay full insurance coverage in cases where they had eight, ten, twelve or more emergency vehicles lying idle, or when others were undergoing repairs for a month or more.

It was also pointed out that a comparison of the accident figures showed that in certain zones the number of trucks figuring in any mishaps were relatively small. Because of this the truckmen felt there should be a readjustment of the zoning rates as applied to them.

The effect of the compulsory insurance law will have a cumulative effect later on when the forwarders and distributors are readjusting their hauling rates. As an instance, when one company paid \$4,000 last year for coverage, and is this year paying \$10,500, this increased cost must be absorbed by the merchants shipping by motor truck.

Taxicab companies are now operating under a mutual company, thereby reducing their premiums considerably. This is what interests the truckmen, who declare that the law cannot be said, in all due fairness, to be a success, and that judging by results in Massachusetts, other States, if they investigate conditions here, will not pass such a law.

Gund a Chamber Director

J. P. Gund, president of the Lakewood Fireproof Storage Co., Cleveland, has been elected a director of the Chamber of Commerce of Lakewood.

Outline of Security Defense in Action by International

(Concluded from page 54)

that the particulars of demand herein do not purport to be limited to a claim upon the aforesaid supposed contract, being merely a claim for the publication of a paragraph description in a directory, and the deponent says that the publication of such a paragraph description is not of the reasonable value of fifty dollars."

By agreement of counsel the case is on two days' call and may be argued within the next few weeks. Indications are that, regardless of the result of the suit in the Municipal Court, an effort will be made to have the case reviewed in the Supreme Court of the District of Columbia. Such review, however, can be obtained only by writ of error, the granting of which is discretionary with the Court.

—P. G. L.

Plummer With Houston Firm

H. B. Plummer, who has been one of southern California's best known storage executives, becomes general manager, effective July 1, of the Houston Terminal Warehouse & Cold Storage Co., organized last year in Houston, Tex.

As assistant to Gerald FitzGerald, president of the Union Terminal Warehouse Co., Los Angeles, and of warehouse companies in San Francisco, Mr. Plummer has been affiliated with California warehousing developments for the past six years.

Sprigg Heads Premier Company

Rodney S. Sprigg, who had been manager and operating executive of the Premier Fireproof Storage Co., Hollywood, has been elected president, succeeding Arthur J. Clark, who died last January. E. B. Clark has been elected vice-president and treasurer and G. H. Clark secretary. The directors are L. C. Sprigg and H. A. Tolle.

Weicker Aids Trust Fund

R. V. Weicker, president of the Weicker Transfer & Storage Co., Denver, is one of Denver's twenty prominent citizens who have created a \$20,000,000 trust fund which will be placed in the city's banks as a gift to the city and to be made available in the year 2218. Prizes are to be offered for plans for the disposal of the fund in Denver's interest nearly three centuries hence.

Muskogee Firm Buys Own Home

The Muskogee Transfer & Storage Co., Muskogee, Okla., recently purchased, for a reported consideration of \$100,000, the two three-story concrete warehouse buildings which it has occupied at 319-323 South Fourth Street for a number of years.

John P. Porter, the company's president, plans a number of improvements.

I. C. C. Will Investigate Alleged Transfer Monopoly

Distribution and Warehousing's
Washington Bureau,
428 Munsey Building.

AN investigation of the alleged New York trucking and transfer monopoly and all movements of freight by trucks or drays on behalf of railroads on Manhattan Island has been ordered by the Interstate Commerce Commission.

The investigation has been docketed as No. 19715 and is directed against the so-called "constructive stations" and the "off-track" or "inland" stations on Manhattan Island of railroads which do not reach the island with their own rails. The investigation will be of great interest to warehousemen, not only in New York City but in other cities where railroads are using trucks for terminal services and where the Commission's order in this case will serve as a precedent.

The "off-track" freight station plan has frequently been complained of by warehousemen, but in general the Commission has approved this form of terminal service. The present inquiry is aimed primarily at the "constructive" station, which the Commission has condemned in some cases in other cities and which some New York trucking and transfer men declare is putting them out of business.

Dates Back Five Years

The "constructive" station plan was first introduced into New York about five years ago by the Erie Railroad, which contracted with the United States Trucking Corporation to make deliveries on Manhattan Island of freight brought to its Jersey City rail terminal. The I. C. C. touched on this in an investigation made in 1924 and ordered that such terminal service be published in the regular railroad tariffs, but did not pass on the propriety of the plan itself. Since then most of the other railroads have adopted the plan, and, beginning June 1, the Pennsylvania and the Central Railroad of New Jersey adopted it.

It was the action of these two railroads that precipitated the investigation, as the Commission was asked to suspend the tariffs embodying the plan. The chief protestant was the Brooklyn Eastern District Terminals, operating three off-track stations in Brooklyn for ten trunk line railroads including the Pennsylvania and the Jersey Central, which asserted that the "constructive" station plan would break down the methods of terminal freight service and would prevent the development of adequate railroad freight terminals in New York. This firm was joined by a number of independent trucking and transfer companies, who asserted that they would be ruined by the plan.

It was asserted that the contract between the railroads and the United States Trucking Corporation would create a virtual railroad-controlled trucking monopoly in New York City, and that the charge of 7 cents per 100 pounds from the rail terminals to the

constructive stations was unreasonably high and disproportionate to the service involved.

The Pennsylvania Railroad, on the other hand, held that this price was the lowest it could secure by competitive bidding and that, although it was enlarging its Jersey City terminal, the "constructive" station plan was the only possible way of relieving freight congestion.

The plan was strongly defended by all shippers of perishables and also by other large shippers, including the Newspaper Publishers Association.

The Commission allowed the plan to go into effect, probably because other roads have been doing the same thing for some time, but soon afterward it ordered a general investigation of the entire practice.

The St. Louis Inquiry

An almost identical situation prevailed in St. Louis, and the I. C. C. investigated it in 1914 and 1915 upon the complaint of independent warehousemen and truckers. There the Commission held that the off-track stations in St. Louis maintained by railroads terminating in East St. Louis were in the public interest, even though operated on behalf of the railroads by private warehousemen who were thus at an advantage over other warehousemen not having such contracts with the railroads. The "constructive" stations in St. Louis, however, were condemned by the Commission, and this case will probably have much weight in the decision of the New York investigation.

In order to relieve the congestion in their New Jersey shore terminals, practically all railroads—except the New York Central, which reaches Manhattan Island directly by rail—have established "off-track" or "inland" freight stations on Manhattan Island and Long Island. Freight is conveyed between these stations and the Jersey rail terminals by truck, but they offer the public all the services for receiving and delivering freight, paying freight bills, determining rates, and other services that are given at an ordinary freight station. In many cases the railroads do not own these off-track stations, but they are run by separate warehouse or transfer companies acting as agents for the railroads.

The "constructive" station, however, is an entirely different thing. It consists merely of an imaginary line across the middle of a street. The Pennsylvania Railroad calls its new "constructive" station the "Cortlandt-West Street Station," and it consists simply of the gates to the Manhattan piers of the Hudson ferries and the New York end of the Holland vehicular tunnel. The arrangement of other railroads is similar.

The plan works this way:

When a shipment reaches the Jersey rail terminal, the railroad turns it over to the United States Trucking Corporation or another trucking or transfer company with which it has a contract, and orders the goods delivered to the

(Concluded on page 58)

Household Goods Freight Claims Increased in 1926

AMERICAN railroads made freight claim payments totaling \$524,679 on lost and damaged and delayed shipments of household goods during 1926 as compared with \$511,522 in 1925, according to figures made public on June 14 when the committee on freight claim prevention of the American Railway Association submitted its report at the 36th annual meeting of the association's freight claim division, at Quebec, Canada.

This total of \$524,679 is divided into \$236,460 on carload and \$288,219 on less than carload shipments.

The rail carriers paid out \$5.23 per carload in claims against household goods transported in carload lots during 1926 against \$4.52 the previous year, as shown in the following table prepared by A. L. Green, Chicago, special representative of the freight claim division:

Year	No. Cars Originated	Claims Paid, Carload	Claims Paid per Carload
1926.....	45,231	\$236,460	\$5.23
1925.....	52,079	235,287	4.52
1924.....	61,256	319,248	5.21
1923.....	69,778	270,025	3.87
1922.....	68,783	309,458	4.50
1921.....	90,749	565,172	6.23

The totals of \$524,679 and \$511,522 as the respective 1926 and 1925 payments on household goods shipments are divided as follows:

Year	Total	Loss	Damage	Delay
1925.....	\$511,522	\$29,190	\$482,088	\$244
1926.....	524,679	33,590	490,561	528

Of the \$236,460 paid on carload claims, \$1,205 was for unlocated loss on entire package; \$662 for unlocated loss on other than entire package; \$70,521 on unlocated damage; \$86,093 on damage caused by rough handling of cars; \$1,856 on damage caused by improper handling during loading and unloading and stowing; \$1,174 because of defective or unfit equipment; \$130 because of delays; \$2,984 due to robbery of entire package; \$530 due to robbery of other than entire package; \$635 due to concealed loss; \$58,847 due to concealed damage; \$7,175 due to wreck; \$1,145 due to fire or marine loss or damage, and \$3,503 due to employee errors.

Of the \$288,219 paid on less than carload claims, \$13,491 was for unlocated loss on entire package; \$1,421 for unlocated loss on other than entire package; \$75,189 on unlocated damage; \$48,624 on damage caused by rough handling of cars; \$15,130 on damage caused by improper handling during loading and unloading and stowing; \$638 because of defective or unfit equipment; \$398 because of delay; \$1,835 due to robbery of entire package; \$1,895 due to robbery of other than entire package; \$2,915 due to concealed loss; \$119,557 due to concealed damage; \$2,204 due to wreck; \$2,408 due to fire or marine loss or damage, and \$2,514 due to employee errors.

The total household goods claims, \$524,679, was 1.4 per cent of all claims paid in 1926, as compared with 1.3 per cent in 1925.

Considering all payments made on all claims on all commodities, the amount of

(Continued on page 58)

I. C. C. Will Investigate Alleged Transfer Monopoly

(Continued from page 56)

store door or warehouse of the consignee. When the truck bearing the shipment crosses the imaginary line known as the "constructive" station, the custody of the goods automatically is relinquished by the railroad; the line-haul service which the freight payment covers has been completed; delivery has been made to the consignee; the truck driver is no longer the agent of the railroad, but is the agent of the consignee; and the consignee must pay the truck driver extra for hauling the goods from the imaginary or "constructive" station to the point of delivery.

This plan expedites freight delivery in cities where, as in New York, the main rail terminals are separated from the metropolitan district by water, and for shippers who would ordinarily hire a trucking company to deliver their goods it is on the whole a favorable arrangement.

But consignees who wish to do their own trucking, and independent transfer companies which have not been able to secure contracts with the railroads, consider the plan unjust. They are not able to call at the "constructive" station and secure their freight, but if they do not care to secure delivery by the contract transfer company they must cross to the rail terminal and pay the trucking costs the whole distance, as the railroads will not allow them the same payment given the contract trucker for hauling from the terminal to the constructive station.

A Precedent

A very clear analysis of the constructive station, its effect on the shipping public, and its standing in the law, is given by the I. C. C. in its decision in the St. Louis Terminal case; and, because this decision will doubtless have great weight in the decision of the New York case, it is quoted at length. By changing East St. Louis to Jersey City, St. Louis to Manhattan Island, and wagons to trucks, the decision fits the New York situation almost exactly.

"These 'constructive' stations," said the Commission, "are simply undefined points on the river bank. They have no corporeal existence where the clerical work and manual labor incident to the forwarding and receiving of freight may be physically accomplished. No station agents are there to attend to the needs of the public. Nevertheless, by employing the transfer companies as their agents to haul the freight, both carload and less than carload, by wagon between their East St. Louis terminals and these imaginary stations, the eastern lines perform a 'constructive' station service, making at the undefined point on the west bank a purely nominal or constructive delivery of the inbound shipment and in the same manner an imaginary acceptance of outbound traffic, the freight not being moved from the wagon in either case. At this undefined point the relation of the transfer company to

the carrier undergoes a change. On the inbound traffic the transfer company there ceases to be the agent of the carrier and at the same instant becomes the agent of the shipper, and on the outbound traffic it there ceases to be the agent of the shipper and becomes the agent of the carrier. At that moment and in that sense the 'constructive' station service of the carriers occurs. The rail rate takes the traffic to and from the 'constructive' station on the west bank of the river, the cartage charges of the transfer companies being paid by the carriers; but the shippers and consignees pay the cartage charges between the incorporeal station and their store doors.

"The so-called off-track stations are actual stations at which a physical station service is performed by the transfer companies as agents of the carriers. Employees are there in attendance to serve the public in connection with their traffic and to afford shippers the same service in many respects that they receive at the ordinary rail stations. But the 'constructive' stations of the carriers on the west bank of the river have no physical being and no employees are there in attendance on the public. No physical service is there performed and, in fact, nothing occurs on the west bank of the river except as a purely mental operation; at the undefined point the transfer company is said to cease to be the agent of the shipper and at the same instant is said to become the agent of the carrier with respect to outbound traffic, and *vice versa* with respect to inbound traffic. The delivery by the carrier of the in-bound traffic to the shipper at that point is not an actual delivery, nor does the carrier in any sense accept the outbound traffic at that point. The delivery and the acceptance are constructive only.

Discrimination Alleged

"Transportation is a very practical public service, and the laws for its regulation were intended to deal with actual rather than with constructive or imaginary things. And yet, while not sanctioning such a practice, we are not to be understood, in the light of a record relating only to one community, as condemning the constructive acceptance and delivery of freight at a wholly constructive terminal solely because there is no physical there nor any acceptance or delivery of traffic in a physical sense. It is because we find from the facts adduced of record in this case that the practice leads to unjust discriminations that we feel compelled to condemn it.

"The off-track stations are open to the whole public, and we understand that the whole public in a very substantial way makes actual use of them. On the other hand, the constructive or imaginary terminals are open to the general public only in a constructive sense. Nevertheless, the whole public does not and, in fact, cannot make even a constructive use of them. Not being stations in a physical sense, they are avail-

(Concluded on page 58)

Rules Canada Is "Abroad" in Federal Customs Law

CANADA is "abroad" so far as United States customs law is concerned, and Americans may bring back to the United States household goods and personal effects to the value of \$100 without customs duty.

This is the effect of a ruling by Judge Young of the Federal Customs Court in Washington in June. Judge Young reverses his previous ruling in the case of A. W. Fenton.

Mr. Fenton bought a china dinner service from Canada, was assessed duty and lost his appeal to the Customs Court because the judge decided the customs law did not include Canada in countries listed as "abroad," from which returning United States citizens could bring goods valued at \$100 without duty.

A rehearing of the case was granted and the judge decided that Congress meant Canada when it said "abroad," although the dictionary says that the word as used in the United States means Europe.

In concurring with Judge Young's findings, Judge Adamson of the Customs Court said that although only a line invisible might demark Canada from the United States, questions of distance or contiguity have nothing to do with questions of law.

Amelung in Oklahoma City

The Reliable Transfer & Storage Co. has been incorporated in Oklahoma City, Okla., by Alfred H. Amelung, who recently resigned as secretary of the General Warehousing Co., St. Louis, and as secretary of the Missouri Warehousemen's Association.

Incorporators with Mr. Amelung are Fred C. Ezzell of Oklahoma City and Olga Schaible Amelung of Overland, Mo.

The capital of the new firm is set down as \$25,000.

D. S. Adams Again Honored

D. S. Adams, vice-president of the Adams Transfer & Storage Co., Kansas City, was on June 20 elected president of the Club Presidents' Round Table for a term of three months.

Mr. Adams is president of the Missouri Warehousemen's Association and of the Team and Motor Truck Owners' Association of Greater Kansas City.

Elgin Company Buys Land

The Elgin Storage & Transfer Co., Elgin, Ill., has purchased property at Brook and Franklin Streets and plans eventually to erect a warehouse on it.

New Toledo Firm

The Bauer Delivery & Storage Co. has been incorporated in Toledo, Ohio, with a capital of \$10,000 to take over and operate the storage, packing, and trucking business of Louis M. Bauer.

I. C. C. Will Investigate Alleged Transfer Monopoly

(Concluded from page 57)

able only to a limited class of shippers—namely, those who use the services of the public transfer companies designated in the tariffs of the carriers. The 'constructive' stations are not, therefore, public stations in the sense that any shipper in his own way may accept or deliver his traffic there, but only in the limited sense that particular shippers using the particular means mentioned are able to accept and deliver their traffic there in the constructive way described.

"The restriction and limitations, in our judgment, result in definite discriminations that are unlawful. In actual practice the east side lines at their expense cart the in-bound traffic a part of the way to the store doors of particular shippers, and also at their expense cart the outbound traffic of particular shippers a part of the way to their rail ends in East St. Louis. The transfer companies contend that this service is open to the whole public. In a measure this is true. But however the service may be analyzed we finally come to see that a substantial number of shippers must pay to third persons selected by the carriers a cartage charge for handling their traffic to and from these 'constructive' stations, and are thereby compelled to let their own horses, wagons, and similar equipment stand idle.

"The right to use this constructive service is limited to shippers who approach the 'constructive' terminals through the agency of transfer companies designated by the carriers. They may not, with their own vehicles, go to the 'constructive' stations to deliver their own traffic. In other words, the right of a shipper to have an east side line extend its service to and from these undefined points depends upon his willingness to employ the carriers' agent to haul his own traffic between these points and his store door. If he employs a transfer company designated by the carrier, he may have the service; if he uses his own vehicle, the service is denied him. The result is an unjust discrimination which must be corrected."

H. D. R.

Canada Plans Great Highway

A Confederation highway which would link Halifax, N. S., and Vancouver, B. C., is contemplated as part of Canada's sixtieth birthday anniversary. The nine Provinces which united to form the Dominion have been consulted, according to a news dispatch from Ottawa, and the replies already received indicate that the project will be proceeded with.

The road would be similar to the Lincoln Highway in the United States.

O. K. in Little Rock Sold

George F. Macfadden, owner of the Acme Fireproof Storage & Moving Co.,

Little Rock, Ark., has purchased the business of the O. K. Storage & Transfer Co. of that city and has merged it with the Acme.

J. M. Walker, president of the O. K. firm operating in various southern cities, disposed of the Little Rock unit in order to devote his time to his plants in Louisville, Memphis and New Orleans.

Criss Resigns from the A. W. A.

ANNOUNCEMENT is made by J. Edgar Lee, Chicago, president of the American Warehousemen's Association, that Charles L. Criss, Pittsburgh, has resigned as general secretary of the industry's oldest major trade organization, a position he had held for many years.

Elmer Erickson, vice-president and general manager of the Midland Warehouse & Transfer Co., Chicago, has been appointed general secretary, the American's directors having ratified the change. Mr. Erickson will have his office in the offices of the association's merchandise and cold storage division at 222 West Adams Street, Chicago.

Household Goods Freight Claims Increased in 1926

(Concluded from page 56)

every \$100 of railroads' freight revenue paid for freight loss and damage in 1926 was 74 cents. This compares with \$2.95 in 1919. It is the aim of the carriers to reduce this to not more than 50 cents out of every \$100.

An especially good showing has been made in bringing down losses of entire packages (on all commodities). Notwithstanding the large increase in the volume of merchandise freight since 1924 and the higher commodity prices, the claims paid in 1926, totaling \$2,531,459 on such entire package losses, were approximately only one-half of the amount paid in 1924, when the aggregate was \$5,156,319.

The claims paid on account of theft and robbery (all commodities) have been reduced from \$1,943,410 in 1924 to \$1,314,501 in 1926. The high point in this respect was reached in 1920, when the total was \$12,726,947, and there has since been a steady year-by-year decrease.

The amount of loss and damage freight claims paid on each revenue freight car loaded in 1926 was 67 cents as against \$2.66 in 1920. In this respect also there has been a steady year-by-year decrease from 1920 to date.

The Chapin Transfer & Storage Co. has been organized in Hawthorne, Cal., by George Chapin, a local transfer man, who has rented a portion of a building at 418 North Hawthorne Street.

Hollander Incorporates His Business in Chicago

A. H. HOLLANDER, who for the past thirty-five years has been conducting a household goods storage business in the northwestern section of Chicago—the Hollander Fireproof Warehouses, of which he is president and treasurer—announces the incorporation of the Hollander Storage & Moving Co., with the following officers:

President and treasurer, A. H. Hollander.

Vice-president, M. E. Hollander.

Secretary, Joseph A. Hollander, who has been secretary and manager of the Hollander Fireproof Warehouses.

The president of this new firm started the business in a small way and has built it up to become one of the most successful enterprises in the Central West. For twelve years he served continuously as president of the Furniture, Piano Movers' & Expressmen's Association of Chicago, and on June 20 he was elected president of the Illinois Furniture Warehousemen's Association.

The company now operates four warehouses and maintains its executive offices at 1616 Milwaukee Avenue.

Murray Takes Over Hempstead Corp.

Day & Meyer, Murray & Young, Inc., New York City, has taken over the stock and the operation of the Hempstead Storage Corp., which has been operating a merchandise and household goods warehouse, with 18,000 square feet of floor space, since 1925, specializing in household goods storage on central Long Island.

The operating company plans to build three additional floors, thus affording 100,000 square feet of floor space. The Murray company's "Portovault" system, already in operation in the New York plants, will be installed in the Hempstead building.

Meanwhile it is announced by Thomas F. Murray, the company's president, that the name "Portovault" will be copyrighted and its use held exclusively in connection with the firm's business.

Mr. Murray and Chester F. Young, the company's secretary, will act as managing directors of the Hempstead property.

The Hempstead Storage Corp. has been a member of the National, New York State, and New York Furniture associations.

Spencer Moves to Philadelphia

The office of the warehouse superintendent—Robert L. Spencer—of the Pennsylvania Railroad removes to 524-525 General Office Annex, at No. 15 North Thirty-second Street, Philadelphia, effective July 1. Hitherto the office has been 609 Pennsylvania Station, Pittsburgh.

Mr. Spencer is secretary of the Pennsylvania Warehousemen's Association, so that the secretarial office of that organization is now also in Philadelphia, instead of Pittsburgh.

Motor Carrier System Is Inaugurated by Minnesota

PURSUANT to a decision that motor truck freight transportation in Minnesota is a public convenience and necessity, the State Railroad and Warehouse Commission has established a motor truck carrier system of 1500 miles requiring operation of 275 trucks. It has issued regulations, and has granted seven Class 1 certificates of necessity and public convenience, and twenty-five Class 2 certificates; and has dismissed ten applications and also has denied seven applications to establish lines. There are now thirty-two licensed companies.

The original order followed a study of two years based on the 1925 Motor Act of the State Legislature, which called for twenty-six hearings, based on the application of the Ward Transfer Co. to operate between Anoka and the Twin Cities. The hearings began April 26, 1926.

Before certificates are issued the companies must provide:

1. Public liability insurance covering injuries and damages to persons arising out of operation of any or all vehicles, in the sum of \$10,000 for injuries or damages sustained by one person and \$20,000 for damages or injuries sustained in one accident.

2. Property insurance damage of \$1,000.

3. Cargo insurance—vehicles of 1½ tons capacity, \$1,000; vehicles of upwards of 1½ tons capacity, \$2,000.

4. Bond, payable to the State, of \$1,000.

5. That all motor vehicles to be operated under this certificate be registered with the Commission and the Commission's registry number be displayed on both sides of vehicles.

6. That the driver or operator of each vehicle be licensed as under the law of 1923 and shall at all times comply with its provisions.

Failure to comply with these requirements will automatically cancel operating rights.

Class 1 certificates are as follows:

Raymond Brothers, St. Cloud—Twin Cities to Little Falls.

Witte Transfer Co., St. Paul—Twin Cities to Rochester.

Stillwater, St. Paul and Minneapolis Overland Express—Twin Cities to North St. Paul, White Bear, Bald Eagle, White Bear Lake points and Stillwater.

Olson Transfer Co., Stillwater—Twin Cities to Stillwater via Lake Elmo.

Cloquet Transfer Co., Cloquet—Duluth, Scanlon and Cloquet.

Steller & Sons Transfer Co., Excelsior—Twin Cities to Excelsior, Wayzata and other Lake Minnetonka points.

Murphy Transfer & Storage Co., Twin Cities—Twin Cities to Litchfield; Twin Cities to Mankato; Twin Cities to Owatonna; Twin Cities to Winona.

The Murphy company had sought to operate other lines out of the Twin Cities as a large system of motor trucking, but was denied applications to oper-

ate from the Twin Cities to Lake Minnetonka points, to Little Falls, to White Bear points and Hinckley, to Rochester Litchfield and Willmar.

Raymond Brothers were denied rights to operate between the Twin Cities and Monticello, and from St. Cloud to Sauk Center.

Class 1 companies are defined as operating generally as common carriers by motor vehicle between fixed points.

Class 2 companies are defined as operating between fixed termini or over regular route, engaged in transporting agricultural, horticultural, dairy or other farm products from the point of production to the primary market, or operating motor vehicles transporting or delivering dairy products, but not exclusively so engaged or operating.

Commissioner Ivan Bowen said the law was passed to put a curb on unregulated transportation of property on the highways; that it must not be taken that the policy of the law was to develop highway transportation.

Practically all applications as they stand today have been taken care of and the Commission will be otherwise engaged until fall, except for proceedings to meet emergencies or to complete present operations.

In its original decision in May, the Commission held that encroachments of Federal control of the railroads within the State had brought about a condition wherein railroad transportation was no longer adequate to meet the State's exacting needs, and that the new truck methods of transportation were best adapted to the short haul traffic and best fitted to handle traffic in the territory it was proposed to serve, even though this field was already occupied by rail carriers.

Canadian Storagemen Hold Ninth Annual Convention

(Concluded from page 39)

into effect, in connection with motor trucks transporting household goods to Quebec, Toronto, Boston and New York.

This plan comprises "Publius, Limited," owned and controlled by J. B. Baillargeon, and is a form of outdoor advertising. "Publius," as Mr. Baillargeon explained, is "a reincarnation of the London bus." Beautifully colored and illustrated national advertising is placed on enamel signs affixed to both sides of the Baillargeon long distance vehicles. The national advertisers pay for this space.

This plan, which will be described in detail and illustrated in the August issue of *Distribution and Warehousing*, is bringing additional advertising revenue to the Baillargeon company.

Closing General Session

THE convention closed with a general session on the forenoon of June 18, with Mr. Tippet again presiding. Actions taken on various subjects previously brought up have been set down in

the foregoing. Officers and directors were then elected, as shown on page 37.

Mr. Tippet paid a tribute to the activities of the American Warehousemen's Association and declared that it was "self-education" for a warehouseman to attend an A. W. A. convention.

J. Edgar Lee, president of the A. W. A., addressed the convention on the subject of the American's progress, and the delegates adopted a motion offered by Mr. Fleming expressing the Canadians' appreciation of Mr. Lee's talk and of the American's past help.

Mr. Lee read a letter from S. C. Blackburn, Kansas City, president of the N. F. W. A., regretting his inability to be present, because of the illness of one of his company's executive staff.

Through H. A. Knight, Regina, the board of trade of that city extended the Canadian association an invitation to hold next year's convention there. Another point suggested informally is Lake Louise. A motion was adopted that the decision be left to the executive committee.

Mr. MacCosham offered a motion, which was adopted, thanking the Winnipeg Transfer & Storage Association, of which E. W. Ray is president, for the hospitality extended to the delegates.

After the convention adjourned the delegates were the guests of the Marlborough Hotel at a luncheon. R. H. Webb, Winnipeg's mayor and owner of the hotel, discussed Canada's business conditions. In the afternoon many of the delegates and their ladies attended the races at Polo Park—and it is reported that not all their favored horses won. The annual dinner, followed by dancing, was held in the evening at the Fort Garry Hotel, with President Tippet as toastmaster. On the evening of the first day of the convention the Winnipeg association entertained the delegates with a "stag" dinner at the Hotel Royal Alexander, with Mr. Ray presiding. Luncheons, bridge parties and sight-seeing were arranged by the Winnipeg association for the visiting ladies at various times, with Mrs. Ray as chairman of the entertainment committee.

Illinois 2c. Gas Tax

Illinois, except for the formality of the signature of Governor Small, on June 21 joined the States in which motorists must pay a gasoline tax. It was expected that Governor Small would sign the bill enacted by the Legislature, thus imposing a tax of 2 cents a gallon, effective Aug. 1.

The revenue would be divided equally between the State's hard road fund and the county in which the tax is paid.

Delgado Removes to Chicago

Effective June 13, the traffic department of the Federal Match Corporation, hitherto located in Philadelphia, was established in the Transportation Building, 608 South Dearborn Street, Chicago, according to announcement by E. C. Delgado, the firm's traffic manager.

Philadelphia Operators Plan "Independent" Body

THROUGH the Philadelphia Team & Truck Owners' Association the "independents" are preparing to offset the so-called truck transportation monopolizing plans of the National Freight & Delivery Company in Philadelphia and vicinity. The association announces it is projecting the formation of a delivery corporation which would utilize the co-ordinated facilities of the existing hauling concerns and individual members of the organization, and it has already started work on a charter through a committee and legal counsel. The Public Service Commission of Pennsylvania soon will be asked to grant a certificate of public convenience.

George I. Oberholtzer, who is president of the association, says that the new corporation will be a cooperative company, not a consolidation, and that all the members of the association will hold stock in it, but that no one group or person can obtain control of the stock. Each concern and individual now in the trucking business would retain and operate under its or his present name.

Central headquarters would be established, to serve as a clearing house for all hauling work, particularly that work requiring transportation to the outlying districts of the metropolitan area. Freight would be moved on scheduled time through coordination of the present facilities, without regard to which concern the shipper engaged for the job, or what kind of equipment the hauler possessed, or how much of it was necessary to do the work.

It is asserted there will be no increase in cost to the business man, and that the overhead expense for the corporation will be small, as there is no need of any large outlay for equipment.

P. J. Green, secretary of the association, has received letters, approving the project, from upward of three-score business men.

Cleveland Developments

The Distribution Terminal & Cold Storage Co., Cleveland, has purchased in fee from the Watson Investment Co. a site on University Road, S. W., for its proposed \$3,000,000 terminal and storage building which is to be part of a chain of such plants in several large cities.

Financing also has been completed. The terminal company has given a deed of trust on the site and building, securing an issue of \$2,200,000 first closed mortgage 6½ per cent gold bonds maturing in 1952, and a mortgage on the real estate to Continental Terminals, Inc., of New York, the parent company for \$1,150,000. The trust deed was signed by W. B. Newlin, vice-president and Wilbur J. Watson as secretary.

Albert Kahn, Detroit architect, has been chosen to draw plans for the \$20,000,000 terminal and warehouse of the Cleveland Railway & Harbor Terminal Co. to be built at the foot of East Fifty-fifth Street.

I. C. C. Decision May Bear on Port Services Inquiry

(Concluded from page 15)

respective costs and special charges for such services. In our opinion, however, the evidence upon this subject indicates the desirability of confining the line-haul rates strictly to the service ending with the spotting of the cars, and requiring all further terminal service to be covered by a special charge or charges. Such a plan would preserve at each port such advantages as inhere in facilities for the convenient and economical loading of vessels, and would also facilitate such comparison of special terminal services and charges therefore as may be deemed advisable in the future."

While this opinion deals with grain only, and is not based on a full inquiry, it may be considered a fair indication of the trend of the Commission's thought regarding terminal services in general and that the warehousemen have more than an even chance of winning a favorable decision in their case.

—H. D. R.

Inquiry into St. Louis Rail Rivalry with Warehousing

Distribution and Warehousing's
Washington Bureau,
428 Munsey Building.

COMPETITION with private warehousemen by the railroads entering St. Louis, Mo., and East St. Louis, Ill., is being investigated by the Interstate Commerce Commission.

The railroads there, with the exception of the Chicago & Alton, operate a more or less extensive system of transfer of freight by truck within the St. Louis switching district, which includes all the industrial area of the Missouri metropolis. The situation was brought to the attention of the I. C. C. by the Chamber of Commerce and other commercial organizations, and the Commission has decided to undertake an investigation on its own motion, the case being docketed as No. 19,594.

The inquiry will be with a view to determining if the railroads are doing anything that is contrary to law or to the public interest, if the charges for the services performed are proper, and if any rules or regulations should be set up to govern such services.

No hearing dates have yet been set, but all railroads entering St. Louis or East St. Louis have been made respondents in the case.

The Commission will look into all collection, receipt, delivery, transfer or other handling of freight by trucks or drays operated through the city streets, either by the railroads themselves or for them under contract. The case will include also stations maintained by the railroads at points not reached by their rails where they collect and deliver freight by means of trucks.

—H. D. R.

Bill Will Ask for Reports on Tobacco in Warehouses

Distribution and Warehousing's
Washington Bureau,
428 Munsey Building.

WAREHOUSES storing tobacco would be required to make detailed reports on the quantity, quality and age of tobacco stored by them under the terms of a bill which Representative Ralph Gilbert of Shelbyville, Ky., has announced he will reintroduce in the next session of Congress.

The present meager tobacco storage report now collected by the Census Bureau would be stopped and its place taken by a more inclusive survey gathered by the Department of Agriculture, which also gathers tobacco crop reports. The present tobacco storage census, although designed to be of benefit to growers, is said to be of no use, because many purchasing warehouses keep on hand large quantities of low grade tobacco in order that it may appear that tobacco warehouses are full and the price apt to be low.

Statistics

The Gilbert bill, which failed in the last session of Congress, would give the Secretary of Agriculture specific instructions regarding the collection and publication of statistics and the standards of classification to be established, and embodies mandatory requirements for information from dealers, manufacturers, cooperative growers associations, warehousemen, brokers, holders or owners of tobacco awaiting manufacture.

—H. D. R.

Arbitration Law Upheld

Supplementary to the article, "How Arbitration Can Function in Disputes Between Warehousemen and Customers," in the June issue of *Distribution and Warehousing*, the New York State Court of Appeals recently upheld the legality of the State's arbitration law in the case of *Cheney Brothers v. Jorocco Dresses, Inc.*

The contract between the litigants had an arbitration clause, and Jorocco Dresses, Inc., alleged that this clause had been induced by fraud. The Supreme Court found to the contrary. The Appellate Division reversed the Supreme Court's ruling. The Chamber of Commerce of the State of New York then intervened and the case went to the State Court of Appeals. This tribunal reversed the Appellate Division's ruling, upheld the Supreme Court's original decision, and ordered that the case proceed to arbitration.

Allport with American Chain

Announcement is made by O. V. Hukill, New York, eastern representative of the American Chain of Warehouses, that the Allport Storage Warehouse Co., Asheville, N. C., has been designated to serve as the Chain member in that city.

Elmer Milton Hill Dies; Widely Known in Industry

DEATH removed Elmer M. Hill, vice-president of the Security Warehouse Co., Minneapolis, and widely known in the country's merchandise warehouse industry, at his home in Great Neck, Long Island, N. Y., on May 29. The end came suddenly after an illness of several months. He was 36 years old.

Elmer Milton Hill was born in Minneapolis on June 10, 1891. He was graduated from the North High School, Minneapolis, and entered the employ of the Chicago, Milwaukee & St. Paul Railroad in that city as contracting freight agent. He served in various capacities, including that of solicitor in the commercial department. He was married on July 3, 1912, to a school mate, and attended the University of Minnesota, after his marriage, as a student in the civil engineering department.

Leaving the railroad in 1916, Mr. Hill became associated with C. W. Little, then operating the Great Northern Warehouse, Minneapolis. He remained with that organization in the capacity of assistant manager and solicitor until the fall of 1920, when Mr. Little sold the business of the Great Northern to Willard W. Morse, president of the Security Warehouse Co., Minneapolis. Mr. Morse removed the Great Northern's business to 714 Washington Avenue, North, its present location, and Mr. Hill was installed as manager and served in that capacity until April, 1924, when he was appointed eastern representative of the Security, and removed from Minneapolis to New York City, where he had an office with the Independent Warehouses, Inc., at 415 Greenwich Street. In New York he represented the Independent Warehouses, Inc., and Griswold & Walker, Inc., Chicago, as well as the Security of Minneapolis.

Funeral services were held at the Advent Christian Church and interment was in the Crystal Lake Cemetery, Minneapolis.

Mr. Hill is survived by his wife, Alma A. Hill; two daughters, Marilyn, 12, and Geraldine, 10; his father, John G. Hill, Minneapolis; a sister, Mrs. Samuel Mays, Minneapolis; and a brother, Lester E. Hill, Yakima, Wash.

In a tribute to Mr. Hill, Willard W. Morse, president of the Security Warehouse Co., Minneapolis, said:

"Mr. Hill was very active in Minnesota warehouse circles and served on several of the committees of the Minnesota Warehousemen's Association, always to his credit. The association's merchandise committee was very sorry to see Mr. Hill leave Minneapolis and has missed his presence at its meetings greatly, as he was always interested in the committee's activities. Since living in New York he had made a great many friends throughout the country, and was well known in most of the eastern cities not only by users of warehouses but by the local warehousemen in those cities.

"It is with a deep sense of loss that we record his passing, and we feel that

the industry at large has lost a man who was ever looking for the advancement of the warehouse industry and whose cheerful and helpful assistance in the many problems of warehousing has been felt throughout the country."

One of Mr. Hill's closest personal friends was John Simon, president of the National Distributors' Association and manager of branch distribution of the Keystone Steel & Wire Co., Peoria, Ill. Mr. Simon said:

"The passing away of a friend so universally admired and respected as was Elmer Hill leaves a great void in one's heart. He impressed my life so deeply that he seems as near to me today as he was during our last conversation in New York last December. At that time he told me of his plans for the future; he was full of life and hope. I shall keep before me the bright picture of his warm personality. The life he lived must outweigh the sadness of his death."

R. C. Campbell Dead

Richard C. Campbell, general freight agent of the Reading Railroad in Philadelphia since 1923, died early in June at his home in Wyncote, Pa. He was sixty years old. He had been with the Reading since 1890.

Hollywood Firms "Tell the Public" at Business Exhibit

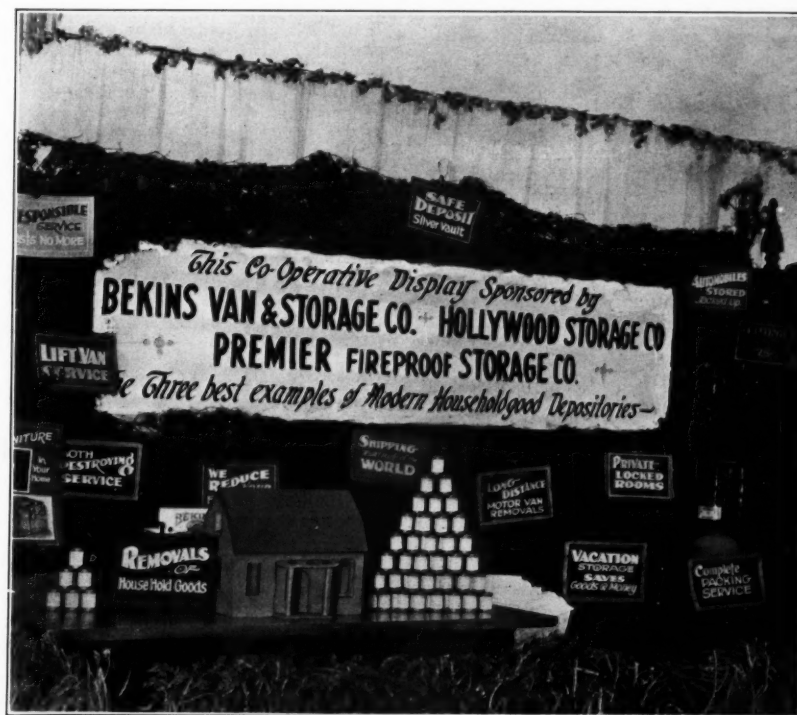
AT a recent exhibit sponsored by the Hollywood Businessmen's Association, three prominent California moving and storage companies combined to participate in an exhibit, herewith illustrated.

It is this sort of combined effort that promotes the interest of the industry as a whole as well as the individuals co-operating.

The purpose of an exhibit is naturally to educate the public, by reason of which elimination of as much of the competitive element as possible enhances the educational value.

As moth-proofing is becoming more and more of an important service rendered by storage companies in California, the Bekins Van & Storage Co., the Hollywood Fireproof Storage Co. and the Premier Fireproof Storage Co. put out 5 naphthalene samples in neat cartons and gave them out to those interested during the five days of the exhibit, to which thousands from all over the State and elsewhere came.

Many interesting questions were asked and answered by qualified attendants alternating from the personnel of the companies taking part in the exhibit.



Joint display by three household goods warehouse companies at exhibit of Hollywood Businessmen's Association

King Elected Director of National Building Body

Tarrant P. King, president of the Northern Avenue Stores & Dock Corp., Boston, and managing trustee of the King Terminal, was recently elected a director of the National Association of Building Owners and Managers at that

organization's convention, held in Detroit.

Mr. King is treasurer of the Massachusetts Warehousemen's Association. His interests are diversified, as he is treasurer and director of a glue corporation.

Toledo Terminal Plant to Link With Detroit Project

ANNOUNCEMENT is made in Toledo, Ohio, that the Great Lakes Terminal Warehouse Co., Detroit, is to build the \$4,000,000 terminal warehouse planned on the site of the former property of the Linseed Oil Corp., at Morrison and Ottawa Streets, Toledo. It had previously been reported that the Baltimore & Ohio Railroad would utilize this site for a warehouse.

It is declared that construction on the Detroit company's project in Toledo will be started as soon as the present buildings can be razed. The plot is 200 by 440 feet, in the heart of the wholesale district and within half a mile of the new city market; it is near river steamship traffic, and has trackage to the trunk line railroads.

The building will be of reinforced concrete with brick curtain walls and stone-trimmed. It will be fireproof and sprinklered. There will be seven stories and basement, except that the north section will be three stories and basement, and will have about 500,000 square feet of floor space.

There will be capacity for spotting thirty freight cars and capacity for loading and unloading 150 trucks at one time.

The warehouse will have five divisions, including one, at the south end, exclusively for cold storage.

Bush Co. to Spend Millions

Plans of the Bush Terminal Co., New York, call for expenditure of between \$10,000,000 and \$20,000,000 during the next five to ten years for additional Brooklyn warehouses, industrial buildings, trackage and steam power plant units.

Two new \$1,000,000 factory structures, started unannounced some months ago, are nearing completion between

Thirty-ninth and Forty-first Streets and First Avenue and the Upper Bay. Each covers an entire square block and together will add 1,100,000 square feet to the loft area of the present factory space of the plant.

New N. C. Organization

G. C. Seymour, W. A. Blue, and J. Talbot Johnson, of Aberdeen, N. C., have been granted a charter to operate warehouses. The authorized capital stock is \$75,000. They plan to operate public warehouses and to do also a general real estate business.

Haring's Article on "New Business for Warehouses"

(Concluded from page 21)

nights with national distributors who are planning campaigns for your market.

Make them see the value of the public warehouse in distribution and in marketing. When they see the point they will fairly overwhelm you with business, because spot stocks in warehouses solve the worst problem the business promotion department faces—that problem being how to insure that goods enough are on hand to supply the market created by the advertising.

Route list and route maps are issued each year by the newspapers. Make it your duty to "sell the warehouse idea" to such an extent that your warehouse gets into next year's lists and into next year's maps. Have it printed in color, as other basic elements of marketing are.

It is impossible to buy a place on the route lists. They carry no advertising, direct or indirect, except that of the newspaper which issues the books. It is a clear case of "selling the idea."

It may cost you a lunch; you cannot spend much beyond that!

Record of Warehouse Bills in South Carolina and Iowa

A BILL to abolish the office of State Warehouse Commissioner in South Carolina and put the duties of this office upon the Commissioner of Agriculture, Commerce and Industries was lost in the legislative jam during the closing hours of the annual session of the 1927 General Assembly, the longest session the Palmetto State has ever known. Financial legislation tied up the program and virtually everything else was sidetracked for this.

The warehousing measure, House Bill No. 707, has been continued over until the 1928 session. It would provide for the transferral of the State Warehouse Commissioner's present duties to the Commissioner of Agriculture, Commerce and Industries; require that all inspections of warehouses of the State's cotton warehouse system be made by the agriculture department's inspection force, without, however, any increase in the number of inspectors; and would provide also regulations relating to insurance and inspection fees.

In Iowa, Senate File No. 222, relating to warehouseman's lien, was enacted. It was signed by the Governor on April 15 and will go into effect on July 4. The relevant clause, Section 1, reads:

"That Section 9693 of the Code, 1924, be and the same is hereby amended by adding thereto the following: 'Such same may be conducted by the sheriff or his deputy or by any constable of the county where such sale is made, and when so conducted, the warehouseman, his representative or assigns, may fairly and in good faith purchase any property sold under the provisions of this Act.'"

Another Iowa bill passed amends Section 9688 of the Code of 1924 so as to give the warehouseman a lien on all property stored by the owner or person in legal possession of said property and giving such lien priority under certain conditions. The amendment reads:

"Against all goods deposited at any time by the owner or person in legal possession thereof, received in good faith and without notice of encumbrances, and, provided further, that, if the warehouseman has either actual or constructive notice of such prior encumbrance, he may give written notice to such prior encumbrancer, and unless such encumbrancer shall remove such goods within five (5) days thereafter, the lien of the warehouseman for all services and charges in relation to such goods shall be prior to such encumbrance."

These two measures were sponsored by the Iowa Warehousemen's Association.

Domestic Shipment Packing

A new Government pamphlet is "Packing for Domestic Shipment: Cleated Plywood Boxes." It contains recommendations by the advisory board of domestic packing of the Department of Commerce, and is the Department's Domestic Series No. 11. Price, 5 cents.

This Six-Wheel Truck Averaged 21.16 Miles an Hour With a Load from Pittsburgh to Philadelphia

THE Miller North Broad Storage Co., Philadelphia, compiled some figures in connection with a trip which the six-wheel type (herewith illustrated) of motor van made recently to Pittsburgh.

From Philadelphia to Pittsburgh the van ran, without load, a distance of 343 miles in 13 hours and 45 minutes—an average of 24.94 miles an hour.

Returning with a 7-ton load, the van moved 335 miles in 15 hours and 50 minutes—an average of 21.16 miles an hour.

The average for the round trip was 23.04 miles an hour. A similar trip with a solid-tired four-wheel vehicle is declared to have required approximately twice the time.



Our Service Selected!

Selected by Continental Terminals Inc. as their architects, we are in full charge of their new terminal warehouses now being constructed in Detroit and Albany and are acting as consulting engineers for their new Cleveland Terminal. Selected on our record and our ability!

Years of study of warehouse conditions in all parts of the United States and Canada and an organization of men trained in terminal facilities puts us in a unique position for investigating proposed terminals.

MOORES & DUNFORD, Inc.

110 East 42nd St.

New York City

Years of specializing
in the planning and
designing of Warehouses.



A Moores & Dunford
designed and built Ware-
house means greatest
available storage space.

Construction, Removals, Purchases and Changes

Alabama

MONTGOMERY—Southeastern Compress & Warehouse Co., Riverside Park, has plans for a \$40,000 warehouse, to contain 60,000 square feet of floor space, at Race and Fowler Streets.

Arizona

Phoenix—Diamond Ice Co. (of San Diego, Cal.) has preliminary plans for a \$200,000 cold storage warehouse and ice plant, together with \$100,000 worth of improvements at its cold storage warehouse and ice plant in Mesa, Ariz., where the Diamond company recently merged with the Mesa Dairy & Ice Co.

Prescott—Crystal Ice & Fuel Co. is planning a \$50,000 cold storage warehouse.

California

Fresno—Fresno-Madera Ice Co. will soon erect the first unit of a \$45,000 cold storage warehouse and ice plant at Ventura and 7th Streets.

Long Beach—Long Beach Terminals, Inc., has begun construction of its \$750,000 warehouse and marine terminal building on a site comprising 4½ acres. The warehouse structure, 92 by 308 feet, will stand six stories high, of reinforced concrete, and will be designed to handle more than 125 carloads of freight daily.

Los Angeles—California Compress & Warehouse Co. is completing plans for a \$200,000 warehouse, 250 by 1000 feet at Wilmington, Los Angeles Harbor. The company has twenty acres at this location and will erect other warehouses, the entire project to cost in excess of \$400,000.

Los Angeles—Pacific-Southwest Warehouse Co., Inc., has applied to the State Railroad Commission for authority to issue and sell at not less than \$80 a share \$40,000 of common capital stock and to use the proceeds in part to acquire additional facilities.

Modesto—Tidewater Railway Co. is planning construction of a group of nine warehouses and packing houses on its industrial tract on Tully Road, estimated to cost \$150,000.

Sacramento—Western Pacific Railroad Co. has plans for building a \$20,000 one-story warehouse and freight terminal at 415 R Street.

Van Nuys—Van Nuys Transfer & Storage Co. has sold its equipment and accounts to T. H. Briggs, who is continuing operation under the same firm name. Mr. Briggs has taken a five-year lease on a one-story warehouse, 25 by 100 feet, to be erected on Erwin Street, west of Van Nuys Boulevard, at a cost of \$45,000.

Venice—Venice Ice Co. has plans for an \$85,000 one-story cold storage warehouse and ice plant, 65 by 100 feet, at Washington and Victoria Streets.

Idaho

Lewiston—Farmers' Union Produce Co. will erect a two-story warehouse, 60 by 150 feet.

Sandpoint—Merchants' Transfer & Storage Co. has superstructure underway for a \$25,000 two-story warehouse, 32 by 95 feet.

Illinois

Chicago—Fernstrom Express & Storage Co. is planning to erect a \$150,000 warehouse, three stories high, 35 by 119 feet, at 3457 Montrose Avenue.

Chicago—Remers Express & Van Co. has completed plans for a \$150,000 five-story warehouse at 5822-5824 North Western Avenue.

Indiana

Indianapolis—Advance Transfer Co. has removed to 415 South Pennsylvania Street from 110 South Alabama Street.

Indianapolis—Alexander Bros. Transfer Co. has removed to 834 Virginia Avenue from 1209 Fletcher Avenue.

Indianapolis—Northwestern Transfer Co. has removed to 3147 Barnes Avenue from 1160 Congress Street.

Terre Haute—Bauermeister Terminal Co. has plans for a \$26,000 one-story warehouse at First and Wabash Streets.

Louisiana

Gibsland—Federal Compress & Warehouse Co. has completed plans for a \$65,000 warehouse, 200 by 400 feet.

Monroe—Monroe Ice Co. has plans for a \$100,000 cold storage warehouse and ice plant on Lovers Lane.

Michigan

Coldwater—George W. Adams has taken over under lease the building formerly occupied by the Champion Brass Co., at Division and Clay Streets, and will operate it as a household goods depository.

Missouri

St. Louis—Bolin Corporation plans to build a \$550,000 seven-story and basement warehouse on First Street from Palm to Warren Streets.

New Jersey

Camden—Security Warehouse Corporation has taken out a permit for its proposed \$250,000 eight-story warehouse at Haddon Avenue and New White Horse Pike. A garage and service station for the firm's motor trucks also will be built.

New York

Yonkers—Feuer's Warehouse & Trucking Co. has preliminary plans for a \$90,000 four-story warehouse at Ludlow and Bridge Streets.

North Carolina

Oxford—Fleming Warehouse Co. will erect a \$45,000 warehouse, 150 by 285 feet, on Hillsboro Street.

Winston-Salem—Liberty Warehouse, Inc., plans to erect a \$100,000 warehouse, 200 by 240 feet, at Liberty and White Streets.

North Dakota

Fargo—Great Northern Railway Co. plans to spend \$175,000 extending and

(Concluded on page 66)

New Incorporations

Within the Industry

California

LOS ANGELES—California Compress & Warehouse Co. Capital, \$850,000. Incorporators, J. B. Campbell, J. D. Crittenden and James A. Clay.

Los Angeles—Pacific Coast Terminal Warehouse Co. General warehousing. Capital, \$75,000. Incorporators, Ewell D. Moore, John A. Stum and Charles G. Minson. This company, of which Mr. Munson is secretary, was established in 1926.

Florida

Haines City—Haines City Cold Storage Co. Cold storage warehousing. Capital, \$150,000. Incorporators, F. A. Sawall, Martin Sample and H. J. Howitz.

Jasper—Gay Ice & Cold Storage Co. Cold storage warehousing. Capital not stated. Incorporators, M. M. Gay and G. W. Smith.

Live Oak—Suwanee Cold Storage Co. Cold storage warehousing. Capital not stated. Incorporators, Edward Porter, B. W. Helvenston and J. Robert Dasher.

Melbourne—East Coast Transfer & Storage Co. Storage and transfer. Capital not stated. Principal incorporator, Dale D. Ernsberger.

Illinois

Chicago—Chicago Tunnel Transport Co. General trucking, express and hauling. Incorporators, A. Slade, J. H. Burke and J. W. Costello.

Chicago—Guardian Warehousing Co. Storage warehouse. Capital, \$50,000. Incorporators, John W. Clark, H. Collins Hay and Roy C. Griswold. Mr. Griswold is president of Griswold & Walker, Inc.

Chicago—Main McCormick Transportation Co. Warehousing, transfer, etc. Capital, 25 shares of stock, no par value. Incorporators, Lyle L. Richmond and Albert H. Levy.

Chicago—Terminals & Transportation Corporation of Illinois. General warehousing, express and transfer. Capital, 2500 shares of stock, no par value. Incorporators, Harvey J. Carson, Roy P. Kelley and Eugene W. Hubbard.

Indiana

South Bend—Advance Motor Transport Co. Storage and warehouse business. Capitalization, 1000 shares, no par value. Directors, Louis G. Wilson, Carl F. Hess, Beatrice B. Wilson and Dora G. Hess.

New Jersey

Camden—South Jersey Express Co., Inc. Express and transfer. Capital, \$125,000. Incorporators, George G. Hendrickson, Randall Worthington and George T. Davis.

Irvington—Irvington Storage Co. General storage and transfer. John P. Weisenstein heads the company.

Newark—East Orange Storage Warehouse, Inc. General storage. Capitalization, \$10,000.

Newark—General Motor Transport Co. Express and transfer. Capital, \$125,000.

(Concluded on page 66)



G. SANTI'S & CO., Inc.
FIREPROOF STORAGE
MOVING PACKING SHIPPING

Main Office
 812 EAST 170th STREET

Branch
 1301 So. BOULEVARD
 BRONX, N. Y.

MEMBERS OF

National Furniture Warehousemen's Ass'n.
 New York Furniture Warehousemen's Ass'n.
 Van Owners' Association of Greater New York

International Harvester Company of America,
 44th Road at Vernon Boulevard,
 Long Island City, New York

Gentlemen:

I have been in the moving and storage business for sixteen years and have used seven different makes of trucks, and through long and varied experience I have found that International Harvester motor trucks are best for my business.

In the first place, my Internationals operate at a cost at least 15% less than the other makes which I have used. They have more resiliency than other trucks; in fact, they ride like touring cars. This quality in a truck is very important in my line of business and has been a strong factor in my choice of hauling units.

With regard to service, I have always found your organization competent and conveniently available. For example, on a recent haul to Englewood, New Jersey, one of my drivers broke a fan pulley. He immediately located an International dealer near at hand and the delay was of very short duration. It is good to know that no matter where my trucks may be sent, your service, through your many Company-owned branches and authorized dealers, is always available and permanent.

I have just added a new International Speed Truck to my present fleet of Internationals. My first International, a Model 61, which I got in 1922, is in splendid condition and is still going strong. I am pleased to tell you that I have found it pays to standardize on International Harvester motor trucks.

Very truly yours,

A handwritten signature in cursive script, reading "Louis Cella".

President.
 of G. SANTI'S & CO., Inc.

The International line includes the Special Delivery for loads up to 3½-ton, 4 and 6-cylinder Speed Trucks of 1½-ton, 1½-ton and 2-ton sizes, Heavy-Duty Trucks ranging from 1½-ton to 5-ton sizes, Motor Coaches, and McCormick-Deering Industrial Tractors. For further information write to International Harvester Company of America, Inc., 606 So. Michigan Ave., Chicago, Ill.

INTERNATIONAL TRUCKS

New Incorporations**Within the Industry***(Concluded from page 64)*

Incorporators, A. A. Gourrie, Paul Gourrie and Lionel L. Meyers.

Newark—New Jersey Package Delivery Co. Express and transfer. Abraham Phillips heads the company.

Plainfield—Hall's Fast Motor Express. Transfer and express. Harry Hall heads the company.

Westfield—General Transportation Corp. Warehousing, shipping and transfer. Capital, 2500 shares of stock, no par value. Incorporators, B. S. Ellis, George W. Rocklein and William R. Velthaus.

New York

Brooklyn—Fifth Street Dock Co. Storage warehousing. Capital, \$10,000.

Brooklyn—Libbro Auto Delivery Corp. Transfer and express. Capital, \$5,000.

Brooklyn—Sixth Street Storage Co. Storage warehousing. Capital, \$10,000.

New York—Dandy Storage.

New York—Port Operating Corp., New Jersey. Freight forwarders. Capitalization, \$500,000.

New York—Terminals & Transportation Corporation of America, Michigan. Warehouses. Capitalization, \$10,000,000.

Maine

Portland—Rines Transfer Co., of Cumberland. Transfer and hauling. Capital, \$10,000. Incorporators, Joseph P. Connellan, president, and M. E. Site-man, both of Portland.

Massachusetts

Boston—United Truck Lines, Inc. General transfer and trucking. Capital, \$50,000. Incorporators, Ervin H. Mixer, president and treasurer, Pawtucket, R. I.; Fred Herrick, Malden, Mass., and Frank J. O'Brien, Medford, Mass.

Cambridge—Cambridge Storage Warehouse Co. Warehousing and trucking. Capital, \$10,000. George A. Kearsley is president and Basil S. Collins of Watertown is treasurer.

Gloucester—Thomas E. Reed, Inc. Transfer and trucking. Capital, \$30,000. Incorporators, Thomas E. Reed, president and treasurer, and Leon L. Ricker.

Michigan

Detroit—Terminal & Transportation Corp. of America, West Jefferson Avenue and Clark Street. Real estate, oils, warehouses, construction and transportation. Capitalization, \$10,000,000, and fifty shares no par value.

Missouri

St. Louis—St. Louis Terminal Warehouse Co., established in 1924. General warehousing. Capital not stated. Incorporators, N. L. Nulsen, who has been the company's proprietor; A. L. Ford, who has been assistant manager; and A. J. Bardol.

North Carolina

Winston-Salem—Liberty Warehouse Co., Inc. Largely tobacco warehousing. Authorized capital stock, \$175,000.

Oregon

Cashmere—Independent Warehouse & Storage Co. Capitalization, \$5,000. Incorporators, Norman Mikkelsen, Fred Seaman, L. C. Seaman and O. E. Kin-nard.

Pennsylvania

Philadelphia—Fidelity-Twentieth Century Storage Warehouse Co. Capitaliza-tion, \$5,000.

Texas

Junction—Borden Ice Co. Cold storage warehouse and ice plant. Capital, \$15,000. Incorporators, E. R. Borden, L. D. Borden, Sr., and L. D. Borden, Jr.

Virginia

Richmond—Producers Warehousing Corp. (of New York). To carry on busi-ness of storage, elevating, warehousing and forwarding. Capital stock, 500 shares without par value. Thomas B. Gay in charge of Richmond office.

Edelen Tells the Public

A full page advertisement in a Sun-day newspaper to announce acquisition of a new motor truck van—something a bit unusual in warehousing. It was a recent business venture of the Edelen Transfer & Storage Co., Inc., Knoxville, Tenn. The truck was illustrated, and was described as "this masterpiece in automotive transportation," and the public was invited to visit the company's warehouse at 509-711 North Broadway and inspect both the van and the storage building.

"Mounted on a late model huge Mack truck chassis," the advertising text read in part, "this moving van is truly the last word in automotive transportation. Much care was taken in the building of this public utility, several months of planning, the purchasing of the truck, the building of the immense body, the paint-ing of the signs and several other mini-ature touches have given Knoxville something to be proud of. Don't fail to see it Monday."

The company announced also inaugu-ration of inter-city removals service, with the new van and several other Mack trucks as the units.

A. J. Morgan, Jr., Weds

Arthur J. Morgan, Jr., vice-president of Morgan & Brother, New York City, was married to Miss Elizabeth Sadler on May 26 in the Lady Chapel of St. Pat-rick's Cathedral. Monsignor Stephen J. Donahue, a cousin of the bridegroom, performed the ceremony. Charles D. Morgan, treasurer of the company, and Mrs. Charles D. Morgan, the bride-groom's brother and sister-in-law, were the attendants.

The bride is the daughter of Mr. and Mrs. Everett J. Sadler of Scarsdale, N. Y. The bridegroom is a son of Ar-thur J. Morgan, president of Morgan & Brother.

The honeymoon trip was through the Berkshires in Massachusetts and to Canada.

**Construction, Removals,
Purchases and Changes***(Concluded from page 64)*

improving its local warehouse and freight building.

Ohio

Cleveland—Cleveland Railway Harbor & Terminal Co. is having plans drawn for a \$10,000,000 group of warehouses and terminal buildings at the foot of E. 55th Street.

Pennsylvania

Philadelphia—Philadelphia, Newton & New York Railroad Co. has filed plans for a \$27,000 one-story warehouse and freight building at Second and Fisher Streets.

Pittsburgh—Point Improvement Co. is planning to build a \$400,000 nine-story warehouse at Dasher and General Robin-son Streets.

Rhode Island

Providence—New York, New Haven & Hartford Railroad Co. plans to build a \$500,000 two-story and basement ware-house and terminal building, to contain 100,000 square feet of floor space, pri-marily for fruit and kindred service. The structure will be occupied in part by the Providence Fruit & Produce As-sociation, under lease.

Tennessee

Knoxville—Motor Freight Line, Inc., recently formed by a consolidation of three warehousing and freight interests, has plans for an \$85,000 warehouse and terminal building.

Texas

McAllen—R. E. Horn and associates are organizing a company to erect and operate a \$65,000 cold storage ware-house.

San Antonio—Southern Ice & Cold Storage Co. is planning to reconstruct that part of its cold storage warehouse recently damaged by fire with an esti-mated loss of \$20,000.

Vinton—J. C. Campbell (of San An-tonio) and associates are planning to build a \$50,000 cold storage warehouse.

Weslaco—W. R. Burns and E. W. Napier have completed plans for a \$65,000 cold storage warehouse. It is pur-posed to organize a company to carry out the project.

Virginia

Richmond—East Coast Utilities Co. has acquired the Hermitage Road cold storage warehouse and ice plant, con-taining 250,000 square feet of space in the cold storage section, formerly con-trolled by the Roseneck brewery, and plans extensions and improvements.

Washington

Chelan—George D. Brown & Sons, Inc., has plans for a \$100,000 three-story cold storage warehouse, 100 by 200 feet.



Dependable **TRUCKS** Backed by Proven Resources

A Good Investment

WEBER, of Pittsburgh, has found this Indiana Big Six Speed Truck to be one of his best investments. It is speedy, powerful—and its operating cost is remarkably low. You'll find an Indiana Truck just as profitable in your business.

Indiana Trucks are made in 4 cylinder models, from 1 to 7 ton capacities, and in 6 cylinder models, from 1 to 3 ton capacities—fine custom bodies built complete in our own shops.

Write for free booklets on Fleets of Indiana Trucks, and Indiana Trucks in the Express, Transfer and Warehousing Industries.

BEHIND INDIANA Trucks stands their maker—a national institution with ample resources, and with a successful record of more than a quarter of a century to prove its stability.

Through these years—eighteen of them devoted exclusively to the manufacture of dependable motor trucks—INDIANA Truck Corporation has been in the vanguard of those who set new standards of modern truck-building efficiency.

INDIANA engineers have devoted years of constant study and experiment to develop a complete line of motor trucks,

each truck to meet exactly the specific requirements of service for which it is sold.

INDIANA craftsmen are trained to build into each truck the highest grade of careful workmanship. They know that if better motor trucks could be built INDIANA would build them.

These are a few of the reasons why INDIANA Trucks are setting the outstanding records of performance and long life in all kinds of service.

PROVED *by* PROOFS

INDIANA TRUCKS

We will be glad to show you how one of the INDIANA line is the ideal truck to meet your individual needs.

INDIANA TRUCK CORPORATION

907 Indiana Park, Marion, Indiana

Direct Factory Branches, Distributors and Dealers Throughout the Country

"The Boom! The Boom! It's Broke!"



AN excited workman late one Monday rushed into the superintendent's shanty at the F. S. Elam sand pit near Rochester, New York. His eyes were wide with the news of disaster. "Hey, Mike," he shrilled, "the boom on the steam shovel's broke."

The superintendent threw up his hands. "My gosh! And the nearest place to get it fixed is Erie—169 miles away."

At one stroke 7 trucks were rendered useless for lack of load, 29 men made idle—and a payroll of \$25 per hour piling up!

"Unhook the boom and load it on the Selden," ordered the superintendent. But that work takes hours, even in sunlight; now darkness was falling, and fog, and rain. It was well after midnight when the



broken boom was finally lashed to the truck. "The Erie plant opens at seven o'clock," the superintendent informed the driver. "Can you make it, Danny? Once before when this happened we lost three days—three good days. Hurry all you can, Danny. That's why I'm giving you the ROADMASTER."

The three men on the seat grinned, the 72 horsepower Continental 6-cylinder motor started purring, and into the night and rain plunged the Selden ROADMASTER. For 100 miles

the route ran along the banks of Lake Erie, a road difficult and rough for a fast run at any time. Often the road was invisible. On occasions even the motometer could not be seen. Mud, sand, rain, darkness, a swaying, unwieldy load—truly no fair test for any truck.

Six hours after leaving the sand pit the boom was delivered to the shops 169 miles away. Willing hands, enthused by the remarkable average of more than 26 miles per hour under such conditions, completed the repair by that afternoon. The rain and fog had continued steadily; bad as the road had been, now it was worse—in places almost a bog.

Seven hours later the boom was back at the sand pit. In the morning at the usual time digging and hauling were under way. Only one day lost instead of three. A run of 338 miles in 13 hours—and as Danny said afterwards, "We were less tired and restless during that trip than we'd have been in a passenger car. Steering the truck was easy. And the seat was comfortable."

Would your passenger car under those conditions average 26 miles per hour? The Selden ROADMASTER did, with the meanest kind of a load. Yet, to average 26 miles, there will be long stretches where you

must make around 45 miles per hour at least.

Speed, speed, speed! There's the secret of this great Selden ROADMASTER's money-saving for you. Your trucks and their crews cost you many good dollars per hour. Whether they accomplish much or little, you pay just the same.

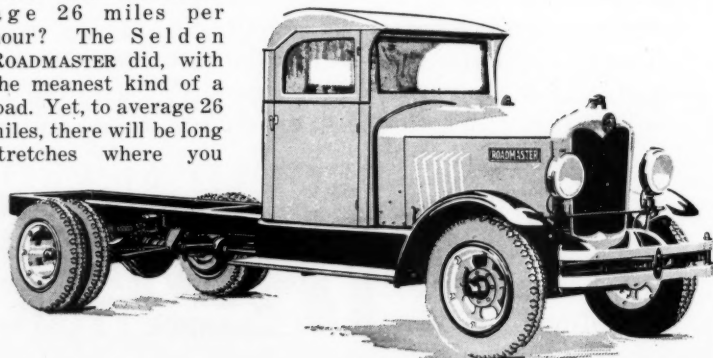
Your only chance of profit lies in getting back per hour more than you pay out. The more tonnage hauled per hour the lower your costs per ton.

So it's well to know that while the ordinary solid-tire truck is making one round trip, de-

livering 4 or 5 tons at 20 miles per hour, the ROADMASTER is making two round trips, delivering 3 to 4 tons each trip at 45 miles per hour—50% to 60% more tonnage delivered per hour by the ROADMASTER.

The only place where the load has any value for you is at the finish of the haul—and the ROADMASTER gets it there first.

Don't you want to know more about what the ROADMASTER may do for you? Ask for literature.



Selden Truck Corporation

Rochester, N.Y.

Factory Branches:
Long Island City, N.Y.
Boston, Mass.
Tulsa, Okla.

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

The Shippers' Index

A Guide to representative Merchandise, Cold Storage and Household Goods Warehouses, Forwarders, Terminals, and Transfer Companies, arranged by States and Towns

"ANDY" SAYS:

WINNIPEG, MANITOBA, June 18.—The more time I spend in Canada the more interested I become in this great big neighboring land lying to the north of us.

¶ With the exception of Alaska and Greenland and the separate British Dominion of Newfoundland, the Dominion of Canada comprises the entire northern part of the continent of North America.

¶ Few of us can begin to realize the vastness of this huge country bounded on three sides by oceans and with a land area slightly greater than the United States and only slightly less than all of Europe.

¶ Canada is a land of enormous distances with a varying latitude from that of Spain and Italy to that of Northern Norway. From Victoria on the Pacific to Dawson on the Yukon River is 1,550 miles of water and rail, while from the city of Quebec to the straights of Belle Isle on the Atlantic is 850 miles. From Halifax on the east to Vancouver on the west is 3,772 miles by rail, and there is no lack of natural harbors on either side of the Continent.

¶ It has been my pleasure to attend the annual convention, just ended here in Winnipeg, Manitoba, of the Canadian Storage & Transfermen's Association, a comprehensive report of which appears in this issue. It has resulted in my visiting more of Canadian territory, its Provinces and its cities, than I had ever expected to see in a lifetime, and all of it has been a revelation.

¶ You warehousemen in the United States who have never been up this way, will enjoy a new thrill to cross the Continent on this side of the line; and in the interest of the warehousing industry of North America you could make it doubly beneficial if you would use the annual Canadian Storage & Transfermen's Association convention as the occasion to bring you into Canadian territory.

¶ A more sincere welcome could not have been given anywhere than was offered by the Winnipeg members to all who attended this past meeting, and in behalf of the Americans who were there we wish to say:

¶ "Thank you. We enjoyed ourselves and some day hope to come again."

WHILE it may be late when this issue of *Distribution and Warehousing* reaches our readers, we hope that a gentle reminder of the summer meeting of the National Furniture Warehousemen's Association, at Mackinac Island, Mich., July 8th to 13th, will not be amiss. While this will not be the annual meeting for the election of officers as in former years, everyone attending will find his days chock full of opportunities for benefiting himself with the business sessions or with enjoyment from other sources.

"ANDY."

CONVENTION CALENDAR

(Annual or Semi-Annual Meetings)

July 8-13	National Furniture Warehousemen's Association	Mackinac Island, Mich.
October	Connecticut Warehousemen's Association	(To be decided)
October	Missouri Warehousemen's Association	Springfield
December	Illinois Association of Warehousemen	Chicago
December or January	American Chain of Warehouses	(To be decided)
December or January	American Warehousemen's Association	(To be decided)
December or January	Distribution Service, Inc.	(To be decided)
January	New Jersey Furniture Warehousemen's Association	Newark
January	New York Furniture Warehousemen's Association	New York City
February	Maryland Warehousemen's Association	Baltimore
February	Pacific Coast Furniture Warehousemen's Association	(To be decided)
February	Pennsylvania Furniture Warehousemen's Association	Philadelphia

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Fireproof Warehouse**

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COR. LAWRENCE and RANDOLPH—132 LEE

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